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March 25, 2015

Public Service Commission
Clerk's Office
Post Office Drawer 11649
Columbia, South Carolina 29211

Office of Regulatory Staff
Transportation department
1401 Main Street, Suite 900
Columbia, South Carolina 29201

Re: Application for a Class "C" Charter Certificate from
Academy Bus LLC, a Florida limited liability Company,
Authorized to do business in the State of South Carolina

Gentlemen:

The undersigned is General Counsel to Academy Bus LLC ("Academy") an authorized FMCSA carrier having its principal business office at 124 Via Florenza, Palm Beach Florida. Academy is authorized to do business in the State of South Carolina. A copy of the authorization to do business in the State is enclosed in the application package submitted under cover of this letter, together with the Company's organizational documents, South Carolina foreign entity authorization to do business, and a Good Standing Certificate issued by the Secretary of the State of Florida.

Please note that at the present time Academy does not have a terminal location in the State of South Carolina, nor does it presently have any employees located in the State. Academy has a terminal location in Jacksonville, Florida and in Durham, North Carolina. All Academy employees are covered by workers compensation insurance.

The application submitted identifies the present motor coach fleet at the Durham, NC and Jacksonville, Florida terminal facilities. The Applicant intends to utilize motor coaches from those facilities to perform interstate and intrastate charter services until such time as it establishes a terminal facility in the State of South Carolina. A Schedule identifying the motor coach fleet is contained in the application.

The application submitted seeks issuance of authority from the State of South Carolina to permit Academy to transport passengers in intrastate commerce within the State. In that regard, I

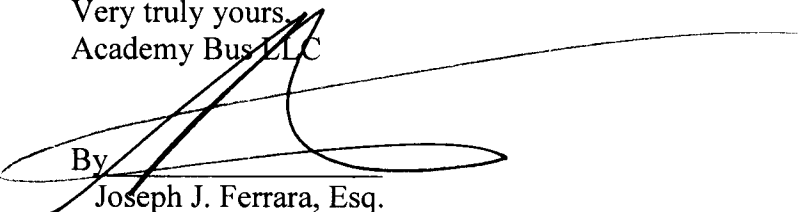
RECEIVED
APR 9 9 2015
PSC SC
CLERK'S OFFICE

submit for filing an original and one copy of the Class "C" Charter Certificate Application (a conformed copy of which is simultaneously transmitted to the Office of Regulatory Staff. It is my understanding that where an FMCSA carrier seeks authorization to carry Passengers within the State of South Carolina the appropriate application to be filed is the Class "C" charter application.

I also submit with the application a copy of filed Academy Bus LLC filed Form E (Insurance) in the State of South Carolina and the executed Safety Certification form.

I have enclosed a self-addressed stamped envelope and request that your office stamp the copy of the application "Filed" or "Received" and re-transmit the same to the undersigned in the self-addressed stamped envelope provided herein.

Thank you for your consideration and assistance,
Very truly yours,
Academy Bus LLC

By 
Joseph J. Ferrara, Esq.
General Counsel

Cc: Francis Tedesco, Manager

STATE OF SOUTH CAROLINA

(Caption of Case)

Example: Application for a Class C Charter Certificate from
John Doe dba Doe's Limo

APPLICATION FOR A CLASS C CHARTER CERTIFICATE
FROM ACADEMY BUS LLC d/b/a "ACADEMY"

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

TRANSPORTATION COVER SHEET

DOCKET

NUMBER: _____ - _____ - _____

If this is your first time filing an application with the PSC, you will not have a Docket Number. The Commission will assign one to you. If you have filed with the Commission before, a Docket Number was assigned and should be entered above.

(Please type or print)

Submitted by: Joseph J Ferrara, General Counsel

Telephone: 2014207000

Address: 111 Paterson Avenue

Fax: ext. 2296

Hoboken, New Jersey 07030

Other:

Email: jferrara@academybus.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

NATURE OF ACTION (Check all that apply)

☐ Application - Class A/A Restricted

☐ Request for Name Change on Certificate

☐ Application - Class C Taxi

☐ Request to Amend Scope of Authority

☐ Application - Class C Charter

☐ Request to Amend Tariff (rate increase, etc.)

☒ Application - Class C Charter Bus

☐ Request to Amend Passenger Limit

☐ Application - Class C Non-Emergency

☐ Request

☐ Application - Class C Stretcher Van

☐ Exhibit

☐ Application - Class E Household Goods

☐ Late-Filed Exhibit

☐ Application - Class E Hazardous Waste

☐ Letter

☐ Application

☐ Proposed Order

☐ Request for Extension to Comply with Order

☐ Publisher's Affidavit

☐ Request for Order Granting Authority to Obtain a Certificate of Public Convenience and Necessity to be Rescinded

☐ Reservation Letter

☐ Request for Cancellation of Certificate

☐ Response

☐ Request for Suspension

☐ Return to Petition

☐ Request for Reinstatement

☐ Other: _____

If you have any questions about this form, please contact the PUBLIC SERVICE COMMISSION at 803-896-5100.

RECEIVED

APR 09 2015

PSC SC
CLERK'S OFFICE

jos

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210
(Mailing address: Post Office Drawer 11649, Columbia, SC 29211)

Phone: (803) 896-5100 Fax: (803) 896-5199

APPLICATION FOR CLASS C CHARTER BUS CERTIFICATE

Date: March 5, 2015

CLASS C - CHARTER BUS

Application is hereby made for a Certificate of Public Convenience and Necessity, in accordance with the provision of S.C. Code Ann., § 58-23-10, et seq. (1976), and amendments thereto.

1. Name under which business is to be conducted (corporation, partnership, or sole proprietorship, with or without trade name.)

Academy Bus LLC d/b/a/Academy"

3501 West Beaver Street, Jacksonville, Florida

Street Address of Applicant

111 Paterson Avenue, Hoboken, New Jersey 07030

Mailing Address of Applicant (if different from street address)

2014207000 ext. 2296

Phone

Fax

jferrara@academybus.com

Email Address

2. If the Applicant is an LLC or a corporation, a copy of the Certificate of Existence from the South Carolina Secretary of State and the Articles of Incorporation must be attached. (If incorporated outside of SC, attach South Carolina Secretary of State "Foreign Corporation" Certificate.)

3. Select Entity Type: (Check one)

☐ Individual Owner/Sole Proprietorship

☐ Partnership - List names and addresses of all person having an interest in the business.

☒ Corporation - List names and addresses of two principal officers. **SEE BELOW:**

☒ Limited Liability Company of the State of Florida authorized to do business in South Carolina

Manager: Francis Tedesco

Chief Financial Officer: Frank Bondroff

Chief Operating Officer: Thomas Scullin

DESCRIPTION OF EQUIPMENT

[illegible]

Academy Bus, LLC						
Bus #	Location	Year	Make	Model	Serial	Seat
1390	RDU	2008	MCI	J4500	2M93JMHA98W064603	56
1391	RDU	2009	MCI	J4500	2MG3JMEA79W065134	56
1392	RDU	2009	MCI	J4500	2MG3JMEA99W065149	56
2211	RDU	1998	NEW FLYER	D35LF	5FYD2SL09WU018212	30
2212	RDU	1998	NEW FLYER	D35LF	5FYD2SL01WU018222	30
2213	RDU	1998	NEW FLYER	D35LF	5FYD2SL00WU018227	30
6485	RDU	2005	VANHOOL	C2045	YE2CC16B652046596	57
6486	RDU	2005	VAN HOOL	C2045	YE2CC16BX52046603	57
6487	RDU	2005	VAN HOOL	C2045	YE2CC16B752046638	45
6488	RDU	2007	VAN HOOL	C2045	YE2CC15B772046076	57
6489	RDU	2007	VAN HOOL	C2045	YE2CC15B972046077	57
6490	RDU	2012	VAN HOOL	C2045	YE2CC1AB1C2047790	57
6491	RDU	2012	VAN HOOL	C2045	YE2CC1AB2C2047801	57
6492	RDU	2012	VAN HOOL	C2045	YE2CC1AB5C2047811	57
6493	RDU	2012	VAN HOOL	C2045	YE2CC1AB9C2047813	57
6494	RDU	2012	VAN HOOL	C2045	YE2CC1AB2C2047815	57
6495	RDU	2012	VAN HOOL	C2045	YE2CC2AB2C2047853	57
6496	RDU	2012	VAN HOOL	C2045	YE2CC2AB4C2047854	57
6497	RDU	2012	VAN HOOL	C2045	YE2CC2AB9C2047915	57
6498	RDU	2012	VAN HOOL	C2045	YE2CC2AB0C2047916	57
6499	RDU	2013	VAN HOOL	C2045	YE2CC2AB1D2048025	57
6500	RDU	2013	VAN HOOL	C2045	YE2CC2AB9D2048029	57
6599	RDU	2013	VAN HOOL	C2045	YE2CC2AB9D2047981	57
6600	RDU	2013	VAN HOOL	C2045	YE2CC2AB0D2047982	57
6667	RDU	2011	VAN HOOL	C2045	YE2CC1AB1B2047755	57
6668	RDU	2011	VAN HOOL	C2045	YE2CC1AB4B2047751	57
6669	RDU	2011	VAN HOOL	C2045	YE2CC29B2B2046964	57
6670	RDU	2011	VAN HOOL	C2045	YE2CC29B4B2046965	57
6671	RDU	2011	VAN HOOL	C2045	YE2CC1AB7B2047727	57
6675	RDU	2012	VAN HOOL	C2045	YE2CC2AB9C2047848	57
11323	RDU	2003	MCI	J4500	1M83JMPA03P062088	56
11324	RDU	2003	MCI	J4500	2M93JMPA63W062267	56
11325	RDU	2003	MCI	J4500	2M93JMPA83W062268	56
11326	RDU	2003	MCI	J4500	2M93JMPAX3W062272	56
11327	RDU	2004	MCI	J4500	2M93JMPAX4W062497	56
11328	RDU	2004	MCI	J4500	2M93JMPA94W062510	56
11329	RDU	2005	MCI	J4500	2M93JMPAX5W062873	56
11330	RDU	2005	MCI	J4500	2M93JMPA15W062874	56
11939	RDU	2007	MCI	D4505	1M86DMPA07P057550	55
11940	RDU	2007	MCI	D4505	1M86DMPA67P057553	55
11941	RDU	2008	MCI	D4505	1M86DMHA18P058349	55
11942	RDU	2008	MCI	D4505	1M86DMHA88P058350	55
11943	RDU	2008	MCI	D4505	1M86DMHA78P058453	55
11944	RDU	2008	MCI	D4505	1M86DMHA48P058460	55
11945	RDU	2008	MCI	D4505	1M86DMFA28P058542	55
11946	RDU	2008	MCI	D4505	1M86DMFA48P058543	55
13037	RDU	2009	FREIGHTLINER	APOLLO	4UZAACDT39CAF8634	30
13038	RDU	2009	FREIGHTLINER	APOLLO	4UZAACDT99CAF8637	30
13039	RDU	2010	FREIGHTLINER	APOLLO	4UZAACDT5ACAP5072	30
13040	RDU	2011	FREIGHTLINER	APOLLO	4UZAACDT0BCAV2266	30
13041	RDU	2011	FREIGHTLINER	APOLLO	4UZAACDT2BCAV2267	30
13042	RDU	2011	FREIGHTLINER	APOLLO	4UZAEDT0BCAY9868	30

Academy Bus, LLC						
Bus #	Location	Year	Make	Model	Serial	Seating
1394	JAX	2004	MCI	J4500	2M93JMPA34W062387	56
1395	JAX	2004	MCI	J4500	2M93JMPA54W062388	56
1399	JAX	2007	MCI	J4500	2M93JMPA07W063856	55
1401	JAX	2010	MCI	J4500	2MG3JMHA4AW065608	56
1440	JAX	2006	MCI	J4500	2M93JMPAX6W063183	54
1441	JAX	2006	MCI	J4500	2M93JMPA56W063186	54
1442	JAX	2006	MCI	J4500	2M93JMPA06W063189	54
1443	JAX	2006	MCI	J4500	2M93JMPA06W063192	54
1444	JAX	2006	MCI	J4500	2M93JMPA66W063195	54
1445	JAX	2006	MCI	J4500	2M93JMPA16W063198	54
1446	JAX	2006	MCI	J4500	2M93JMPA86W063201	54
1447	JAX	2006	MCI	J4500	2M93JMPA36W063204	54
1448	JAX	2006	MCI	J4500	2M93JMPA66W063214	54
1449	JAX	2006	MCI	J4500	2M93JMPA86W063215	54
1485	JAX	2009	MCI	J4500	2MG3JMEA49W065396	56
1486	JAX	2009	MCI	J4500	2MG3JMEA69W065397	56
1487	JAX	2009	MCI	J4500	2MG3JMEA89W065398	56
1488	JAX	2009	MCI	J4500	2MG3JMEA59W065407	56
1489	JAX	2009	MCI	J4500	2MG3JMEA79W065408	56
2201	JAX	2001	NEW FLYER	D35LF	5FYD2GL021U023564	30
2202	JAX	2001	NEW FLYER	D35LF	5FYD2GL041U023565	30
2203	JAX	2001	NEW FLYER	D35LF	5FYD2GL061U023566	30
2204	JAX	2001	NEW FLYER	D35LF	5FYD2GL081U023567	30
2205	JAX	2001	NEW FLYER	D35LF	5FYD2GL0X1U023568	30
2206	JAX	2001	NEW FLYER	D35LF	5FYD2GL011U023569	30
2207	JAX	1998	NEW FLYER	D35LF	5FYD2SL04WU018182	30
2208	JAX	1998	NEW FLYER	D35LF	5FYD2SL06WU018183	30
2209	JAX	1998	NEW FLYER	D35LF	5FYD2SL01WU018186	30
2210	JAX	1998	NEW FLYER	D35LF	5FYD2SL07WU018208	30
2301	JAX	1997	NEW FLYER	D30LF	5FYD2TN02VU017792	25
2302	JAX	1997	NEW FLYER	D30LF	5FYD2TN06VU017813	25
2303	JAX	1997	NEW FLYER	D30LF	5FYD2TN05VU017818	25
2304	JAX	1997	NEW FLYER	D30LF	5FYD2TN08VU017814	25
3409	JAX	2014	TEMSA	TS30	NLTAPLU56E1000106	30
3410	JAX	2014	TEMSA	TS30	NLTAPLU58E1000107	30
13015	JAX	2006	GLAVAL	TITAN	1GDE5V1246F421256	22
13029	JAX	2010	FORD	E450	1FDFF4FS5ADA01503	19

Academy Bus, LLC Maintains Auto Liability, Property Damage, Worker's Compensation Insurance. See Attached.

INSURANCE QUOTE

This form **MUST BE COMPLETED AND SIGNED** by an **AUTHORIZED INSURANCE COMPANY REPRESENTATIVE**. The insurance quote must be complete, listing current insurance premiums. At the discretion of the Commission, a copy of current insurance policies may be required. Do not provide a copy of insurance policies unless requested. You will not be required to purchase insurance until your application has been approved and an order has been issued by the PSC. **THIS IS ONLY A QUOTE.**

The following insurance quote is for:

SEE ATTACHED CERTIFICATE OF INSURANCE

Name of Applicant

AND FORM E

Address of Applicant

Amount of Premium:

Limits Quoted: (See Below)

Liability Insurance \$ _____

Limits _____

The above quoted premium is for a term of _____ months.

Minimum Limits - Intrastate Only:

16 or More Passengers* \$ 25,000/300,000/25,000

* Passengers = Number of seatbelts in the vehicle, including the driver's seatbelt

Name of Insurance Company

Home Office Address of Company

I am familiar with the Commission's Rules and Regulations relating to insurance requirements and the above quote meets the minimum insurance limits prescribed. The insurance company making this quote is authorized by the South Carolina Department of Insurance to do business in South Carolina.

Date

Authorized Insurance Company Representative's Signature

NOTICE:

If you wish to self-insure your motor vehicles for liability and property damage, you must comply with S.C. Code Ann. Sections 56-9-60 and 58-23-910. For more information, contact Vickie Coker with the Department of Motor Vehicles at (803) 896-8457.

If you wish to apply as a self-insured for worker's compensation coverage in South Carolina you may do so with the South Carolina Worker's Compensation Commission (WCC) provided that you will be able to: 1) post a surety bond or letter-of-credit with the WCC for a minimum of \$500,000, 2) agree to pay a yearly self-insurance tax, and 3) agree to pay an annual assessment to the South Carolina Second Injury Fund. For more information, contact the WCC Self-Insurance Division at (803) 737-5712 or on the web at www.wcc.state.sc.us/self-insurance.



76585

CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YYYY)
3/6/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Commercial Lines - (973) 437-2300 Wells Fargo Insurance Services USA, Inc. 7 Giralda Farms, 2nd Floor Madison, NJ 07940-1027	CONTACT NAME: Ray Gil PHONE (A/C, No, Ext): 973-437-2383 FAX (A/C, No): 866-965-0591 E-MAIL ADDRESS: BSU.NJ@wellsfargo.com																					
INSURED Academy Express, LLC 111 Paterson Avenue Hoboken, NJ 07030	<table border="1"><thead><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A :</td><td>National Union Fire Ins. Co. of Pittsburgh, PA</td><td>19445</td></tr><tr><td>INSURER B :</td><td>Lexington Insurance Company</td><td>19437</td></tr><tr><td>INSURER C :</td><td>New Hampshire Insurance Co.</td><td>23841</td></tr><tr><td>INSURER D :</td><td></td><td></td></tr><tr><td>INSURER E :</td><td></td><td></td></tr><tr><td>INSURER F :</td><td></td><td></td></tr></tbody></table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A :	National Union Fire Ins. Co. of Pittsburgh, PA	19445	INSURER B :	Lexington Insurance Company	19437	INSURER C :	New Hampshire Insurance Co.	23841	INSURER D :			INSURER E :			INSURER F :		
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INSURER D :																						
INSURER E :																						
INSURER F :																						

COVERAGES **CERTIFICATE NUMBER:** 8835062 **REVISION NUMBER:** See below

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATION MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liability <input checked="" type="checkbox"/> Cross Liability Incl. GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		GL3372475	03/01/2015	03/01/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		4584325 (AOS)	03/01/2015	03/01/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$		021430630	03/01/2015	03/01/2016	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N / A	WC53408889 (CT,MD,NY,RI) WC53408890 (NJ Only) WC53408892 (FL Only)	03/01/2015 03/01/2015 03/01/2015	03/01/2016 03/01/2016 03/01/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Workers Compensation		WC53408891 (MA Only) WC53408899 (VA Only) WC53408900 (IL Only)	03/01/2015 03/01/2015 03/01/2015	03/01/2016 03/01/2016 03/01/2016	\$1,000,000 Limit \$1,000,000 Limit \$1,000,000 Limit

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Insurance is for the entire US operating area including any/all operations in South Carolina

1st Layer: National Union Fire Ins. Co. of Pittsburgh, PA NAIC #19445
Policy# BE 48402719
Effective: 03/13/2015-03/01/2016
Limit: \$15,000,000 XS of \$10,000,000**CERTIFICATE HOLDER**For Informational
Purposes
Only**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

The ACORD name and logo are registered marks of ACORD

© 1988-2014 ACORD CORPORATION. All rights reserved.

ACORD 25 (2014/01)

(This certificate replaces certificate# 8835057 issued on 3/6/2015)

Additional Remarks Schedule (Continued from Page 1)

Continued on next page

2nd Layer: Starr Indemnity & Liability Co.

NAIC #38318

Policy# 1000040024151

Effective: 03/13/2015-03/01/2016

Limit: \$10,000,000 XS of \$25,000,000

3rd Layer: North American Specialty Ins. Co.

NAIC #29874

Policy# EXS 0007775 05

Effective: 03/13/2015-03/01/2016

Limit: \$25,000,000 XS of \$35,000,000

4th Layer Shared: RSUI Indemnity Company

NAIC #22314

Policy# NHA237380

Effective: 03/01/2015-03/01/2016

Limit: \$20,000,000 (part of \$40,000,000) in XS of \$60,000,000

4th Layer Shared: XL Insurance America, Inc.

NAIC #24554

Policy #US00052715L115A

Effective: 03/01/2015-03/01/2016

Limit: \$20,000,000 (part of \$40,000,000) in XS of \$60,000,000

5th Layer Shared: National Surety Corp.

NAIC #21881

Policy# SHX 00024461741

Effective: 03/13/2015-03/01/2016

Limit: \$25,000,000 (part of \$50,000,000) in XS of \$100,000,000

5th Layer Shared: The North River Ins. Co.

NAIC #21105

Policy# 522-79561-4

Effective 03/01/2015-03/01/2016

Limit: \$25,000,000 (part of \$50,000,000) in XS of \$100,000,000

6th Layer Shared: Continental Casualty Co.

NAIC #20443

Policy# L6011216932

Effective: 03/01/2015-03/01/2016

Limit: \$25,000,000 (part of \$50,000,000) in XS of \$150,000,000

6th Layer Shared: Endurance American Ins. Co.

NAIC #10641

Policy# XSC10003894802

Effective: 03/01/2015-03/01/2016

Limit: \$25,000,000 (part of \$50,000,000) in XS of \$150,000,000

7th Layer Shared: Chubb Ins. Co. of NJ

NAIC #41386

Policy# 79836411

Effective: 03/01/2015-03/01/2016

Limit: \$25,000,000 (part of \$50,000,000) in XS of \$200,000,000

7th Layer Shared: Ohio Casualty Ins. Co.

NAIC #24074

Policy# ECO1656564361

Effective: 03/01/2015-03/01/2016

Limit: \$25,000,000 (part of \$50,000,000) in XS of \$200,000,000

Form E
UNIFORM MOTOR CARRIER BODILY INJURY AND PROPERTY
DAMAGE LIABILITY CERTIFICATION OF INSURANCE

Filed with South Carolina Department of Motor Vehicles (herein after called Agency)
(Name of Agency)

This is to certify that the National Union Fire Ins. Co. of Pittsburgh PA
(Name of Company)
(herein after called Company) of 2704 Commerce Drive ,Suite B ,Harrisburg ,PA ,17110
(Home Address of Company)

has issued to ACADEMY BUS, LLC of 124 VIA FLORENZA ,PALM BEACH GARDENS ,FL 33418
(Name of Motor Carrier) (Address of Motor Carrier)

A policy or policies of insurance effective from 03/01/2015 12:01 A.M. standard time at the address of the insured stated in said policy or policies and continuing until cancelled as provided herein, which by attachment of the Uniform Motor Carrier Bodily Injury and Property Damage Liability Insurance Endorsement, has or have been amended to provide automobile bodily injury and property damage liability insurance covering the obligations imposed upon such motor carrier by the provisions of the motor carrier law of the State in which the Agency has jurisdiction or regulations promulgated in accordance therewith.

Whenever requested, the Company agrees to furnish the Agency a duplicate original of said policy or policies and all endorsements thereon.

This certificate and the endorsement described herein may not be cancelled without cancellation of the policy to which it is attached. Such cancellation may be effective by the Company or the insured giving thirty (30) days' notice in writing to the State Agency, such thirty (30) days' notice to commence to run from the date notice is actually received in the office of the Agency.

Countersigned at 1700 Market Street
20th Floor
Philadelphia PA 19103 This 09th day of Mar 20 15
(Address) (Day) (Month) (Year)

Insurance Company File No. 4584325
(Policy No)

Jane Hughes
(Authorized Company Representative)

Liability Limit :5,000,000.00

Exhibit Fit, Willing, and Able (FWA)

Academy Bus LLC d/b/a/ "Academy"

Name of Applicant

1771456

U.S.D.O.T No.

ICC No.

1. Does Applicant have a Safety Rating from the U.S.D.O.T.?

☒ Yes ☐ No ☐ Pending (Submit when received.)

If Yes, indicate rating below and provide copy.

☒ Satisfactory ☐ Conditional ☐ Unsatisfactory

2. Have any of Applicant's drivers or vehicles been places "out of service" by Transport Police safety officers in the past twelve (12) months?

☐ Yes ☒ No

3. Are there currently any outstanding judgments against the Applicant?

☐ Yes ☒ No

If Yes, indicate nature of judgement(s) against applicant.

Any pending litigation is defended by the carrier's insurance company. All pending claims to carrier's knowledge are within insurance coverage limitations.

4. Is Applicant familiar with all insurance regulations and safety regulations governing charter bus carrier operations in South South Carolina, and does Applicant agree to operate in compliance with these regulations?

☒ Yes ☐ No

5. Is Applicant aware of the Commission's insurance requirements and the insurance premium costs associated therewith?

☒ Yes ☐ No

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
POST OFFICE DRAWER 11649
COLUMBIA, SOUTH CAROLINA 29211

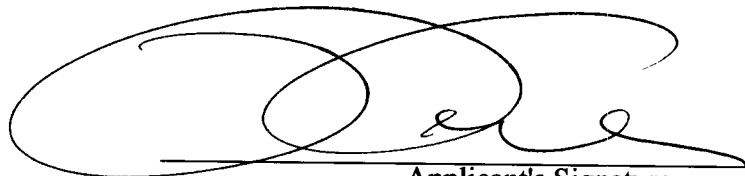
Applicant is familiar with the provision of S.C. Code Ann. §58-23-10, et seq.(1976), and amendments thereto, and R.103-100 through R.103-241 of the Commission's Rules and Regulations for Motor Carriers (Volume 26, S.C. Code Ann. Regs., 1976), and R.38-400 through R.38-503 of the Department of Public Safety's Rules and Regulations for Motor Carriers (Volume 23A, S.C. Code Ann., 1976) and amendments thereto, and hereby promises compliance therewith.

S.C. Code Ann. Section 58-3-250 states, in part, that every final order of the Commission must be served by electronic service, registered or certified mail, upon the parties to the proceeding or their attorneys.

Please check the applicable box:

- ☒ The Applicant AGREES to receive future Commission orders related to the Applicant's authority in South Carolina through the Commission's eService System. The Applicant authorizes the Commission to serve its orders by using the e-mail address as it appears on page one of this Application. To sign up for eService notifications, please visit www.psc.sc.gov to create a My DMS account.
- ☐ The Applicant DOES NOT AGREE to receive future Commission orders related to the Applicant's authority in South Carolina through the Commission's eService System.

The Applicant for the Certificate as set forth in the foregoing, swear or affirm that all statements contained in the above application are true and correct.



Applicant's Signature

MANAGER

Title of Applicant (e.g. President, Owner, etc.)

STATE OF NEW JERSEY)
~~SOUTH CAROLINA~~)
COUNTY OF HUDSON)

SWORN TO BEFORE ME
This 16 day of March, 20 15

Veronica Castro
Notary Public

Commission Expires _____
Veronica J. Castro
Notary Public
New Jersey
My Commission Expires 5-22-16

Detach, complete and remit AFTER your safety audit has been performed by State Transport Police.

Academy Bus LLC

Applicant's Name

Safety Certification

If your operations are subject to Safety Fitness Procedures of the Federal Motor Carrier Safety Regulations (FMCSR) (49 CFR Parts 100-199), even if you have not yet received a Safety Fitness Rating, you must certify as follows:

Applicant has access to and if familiar with all applicable U.S.D.O.T. regulations relating to the safe operation of commercial vehicles. In so certifying, applicant is verifying that, as a minimum, it:

1. Has in place a system and an individual responsible for ensuring overall compliance with the FMCSR and the HM regulations;
2. Can produce a copy of the FMCSR and the HM regulations;
3. Has in place a driver safety/orientation program;
4. Is familiar with the FMCSR governing driver qualifications and has in place a system for overseeing driver qualification requirements in accordance with 49 CFR Part 391.51C;
5. Has in place policies and procedures consistent with FMCSR governing driving and operational safety of commercial motor vehicles, including drivers' hours of service and vehicle inspection, repair, and maintenance (49 CFR Parts 392;395 and 396);
6. Is in compliance with the Controlled Substance and Alcohol Use and Testing as stated in FMCSR (49 CFR Part 40, 382, if applicable).

PLEASE CHECK THE APPROPRIATE RESPONSE BELOW:

☒ Yes

☐ Not Applicable

Exempt Applicants - If you will operate only small vehicles (GVWR of 10,000 pounds or less) and do not transport hazardous materials in a quantity to require placarding under the HM regulations and are thus exempt from the FMCSR and HM regulation, you must certify as follows:

Applicant is familiar with and will observe FMCSR general operational safety fitness guidelines.

PLEASE CHECK THE APPROPRIATE RESPONSE BELOW:

☐ Yes

☐ Not Applicable

Any applicant who certifies they are in compliance with FMCSR and/or the HM regulations and upon completion of a compliance review audit, is found not to be in compliance, may have its certificate revoked.

I, MICHAEL HONAK, verify under penalty of perjury under the laws of the State of South Carolina, that all information supplied on this form or relating to this application is true and correct. Further, I certify that I am qualified and authorized to file this application. I know that willful misstatements or omissions of material fact constitute criminal violations punishable by imprisonment and fines as prescribed by law. (Note: This oath embraces all schedules and supplemental filings to this application).

[Signature]
Applicant's Signature

SWORN TO BEFORE ME
This 16 day of March, 2015

[Signature]

Notary Public

Commission Expires

Veronica J. Castro
Notary Public
New Jersey

My Commission Expires 5-22-16

7 of 7

Print Application

State of Florida

Department of State

I certify from the records of this office that ACADEMY BUS LLC, is a limited liability company organized under the laws of the State of Florida, filed on March 27, 2008.

The document number of this company is L08000031180.

I further certify that said company has paid all fees due this office through December 31, 2015, that its most recent annual report was filed on January 16, 2015, and its status is active.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Ninth day of March, 2015*



Ken Detjen
Secretary of State

Authentication ID: CU8029395911

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>



January 10, 2014

FLORIDA DEPARTMENT OF STATE
Division of Corporations

ACADEMY BUS LLC
111 PATERSON AVE
HOBOKEN, NJ 07030

Re: Document Number

The Articles of Amendment to the Articles of Organization for CABANA COACHES, LLC which changed its name to ACADEMY BUS LLC, a Florida limited liability company, were filed on January 9, 2014, effective January 10, 2014.

This document was electronically received and filed under FAX audit number

Should you have any questions regarding this matter, please telephone (850) 245-6051, the Registration Section.

Neysa Culligan
Regulatory Specialist II
Division of Corporations

Letter Number:

*Amendment to
Certificate of
Formation Showing
Change to
Academy Bus.*

P.O. BOX 6327 - Tallahassee, Florida 32314

COVER LETTER

TO: Registration Section
Division of Corporations

SUBJECT: Cabana Coaches, LLC
Name of Limited Liability Company

The enclosed Articles of Amendment and fee(s) are submitted for filing.

Please return all correspondence concerning this matter to the following:

Joseph Ferrara

Name of Person

Ferrara & Associates

Firm/Company

111 Paterson Avenue

Address

Hoboken, NJ 07030

City/State and Zip Code

Jferrara@academybus.com

E-mail address: (to be used for future annual report notification)

For further information concerning this matter, please call:

Joseph Ferrara

Name of Person

at (201)

Area Code

420-7000 ext. 2296

Daytime Telephone Number

Enclosed is a check for the following amount:

☒ \$25.00 Filing Fee

☐ \$30.00 Filing Fee &
Certificate of Status

☐ \$55.00 Filing Fee &
Certified Copy
(additional copy is enclosed)

☐ \$60.00 Filing Fee,
Certificate of Status &
Certified Copy
(additional copy is enclosed)

MAILING ADDRESS:

Registration Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

STREET/COURIER ADDRESS:

Registration Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

**ARTICLES OF AMENDMENT
TO
ARTICLES OF ORGANIZATION
OF**

CABANA COACHES LLC

(Name of the Limited Liability Company as it now appears on our records.)
(A Florida Limited Liability Company)

The Articles of Organization for this Limited Liability Company were filed on March 27, 2008 and assigned
Florida document number L08000031180.

This amendment is submitted to amend the following:

A. If amending name, enter the new name of the limited liability company here:

ACADEMY BUS LLC

The new name must be distinguishable and end with the words "Limited Liability Company," the designation "LLC" or the abbreviation "L.L.C."

Enter new principal offices address, if applicable:

(Principal office address MUST BE A STREET ADDRESS)

124 Via Florenza

Palm Beach Gardens

Florida 33418

Enter new mailing address, if applicable:

(Mailing address MAY BE A POST OFFICE BOX)

111 Paterson Avenue

Hoboken, New Jersey 07030

B. If amending the registered agent and/or registered office address on our records, enter the name of the new registered agent and/or the new registered office address here:

Name of New Registered Agent:

Joseph J. Ferrara, Esq.

New Registered Office Address:

124 Via Florenza

Enter Florida street address

Palm Beach Gardens

Florida 33418

City

Zip Code

New Registered Agent's Signature, if changing Registered Agent:

I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 605, F.S. Or, if this document is being filed to merely reflect a change in the registered office address, I hereby confirm that the limited liability company has been notified in writing of this change.

(Signature)
If Changing Registered Agent, Signature of New Registered Agent

If amending the Managers or Authorized Member on our records, enter the title, name, and address of each Manager or Authorized Member being added or removed from our records:

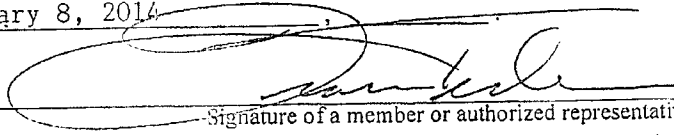
MGR = Manager
AMBR = Authorized Member

<u>Title</u>	<u>Name</u>	<u>Address</u>	<u>Type of Action</u>
MGR	Francis Tedesco	111 Paterson Avenue	<input checked="" type="checkbox"/> Add
		Hoboken, NJ 07030	<input type="checkbox"/> Remove
MGR	FSCS Corporation	17810 Meetinghouse Rd.	<input type="checkbox"/> Add
		Suite 200	<input checked="" type="checkbox"/> Remove
		Sandy Spring, Maryland 20860	
			<input type="checkbox"/> Add
			<input type="checkbox"/> Remove
			<input type="checkbox"/> Add
			<input type="checkbox"/> Remove
			<input type="checkbox"/> Add
			<input type="checkbox"/> Remove
			<input type="checkbox"/> Add
			<input type="checkbox"/> Remove

D. If amending any other information, enter change(s) here: *(Attach additional sheets, if necessary.)*

E. Effective date, if other than the date of filing: January 10, 2014 **(optional)**
(If an effective date is listed, the date must be specific and cannot be more than 90 days after filing.) (605.0207 (3)(b))

Dated January 8, 2014



Signature of a member or authorized representative of a member

Francis Tedesco, Manager

Typed or printed name of signee

Page 3 of 3

Filing Fee: \$25.00

AGREEMENT OF LIMITED LIABILITY COMPANY
OF

ACADEMY BUS LLC
A FLORIDA LIMITED LIABILITY COMPANY

This AGREEMENT OF LIMITED LIABILITY COMPANY is entered into and shall be effective on such date as a certificate of formation in the name of the entity above, is filed and accepted by the Secretary of the State of Florida. The entity has been formed by and among FRANCIS TEDESCO as Manager, and THE FRANCIS A. TEDESCO REVOCABLE TRUST and THE MARK L. TEDESCO REVOCABLE TRUST as Members.

SECTION 1. ORGANIZATION

1.1 **Formation.** On January 10, 2014, Francis Tedesco as Manager, and The Francis A. Tedesco Revocable Trust ("FT Trust") and the Mark Tedesco Revocable Trust ("MT" Trust") as Members filed an Amendment to the Certificate of Formation of Cabana Coaches LLC, changing its legal name to Academy Bus LLC. Academy Bus LLC is a Florida limited liability company (hereinafter referred to as the "Company") organized pursuant to the provisions of the Florida Limited Liability Company Act (the "Act"), as hereinafter defined. The Name Change Amendment to the Articles of Organization, as filed by FT Trust and the MT Trust are hereby adopted and ratified by the members. In the event of a conflict between the terms of this Operating Agreement and the Articles of Organization, the terms of this Operating Agreement shall prevail. This Company shall have continued existence.

1.2 **Name.** The name of the Company shall be the ACADEMY BUS LLC, a Florida Limited Liability Company. The Manager may change the name of the Company upon ten (10) days written notice to all Members.

1.3 **Purpose.** The purpose of the Company is to engage in motor bus transportation for hire and in any and all activities related or incidental thereto. The Company may also engage in any business enterprise permitted by law.

1.4 **Principal Place of Business.** The principal place of business office of the Company shall be located at 111 Paterson Ave., Hoboken, New Jersey, with a local business office at 3595 NW 110th St, Miami, FL 33167. The records of the company shall be maintained at the principal business office. The Manager may change the Principal place of business of the Company to any other place within the State of New Jersey and the State of Florida upon the (10) days' written notice to all Members.

1.5 **Term.**

(a) The term of the Company is perpetual and its existence commenced on the date the Company was formed, as set forth in Section 1.1 hereto, and shall terminate in accordance with Section 9, Dissolution of the Company Section.

(b) The Manager shall cause appropriate fictitious business names and like statements to be filed and published for the Company under the name set forth in Section 1.2 hereof or such other name as the Company may have or use in any state or jurisdiction from time to time.

1.5.1 Fiscal years. The fiscal year of the Company shall be the calendar year or such other fiscal year as the Manager(s) shall determine pursuant to the provisions of the Code Sec. 706(b).

1.6 Independent Activities. Each Member may, notwithstanding this Agreement, engage in whatever activities they choose, whether the same are competitive with the Company or otherwise, without having or incurring any obligation to offer any interest in such activities to the Company or any Member.

1.7 Definitions- General. Capitalized words and phrases used in this Agreement have the following meanings:

(a) "Act" means the Florida Limited Liability Company Act, as amended from time to time (or any corresponding provisions of succeeding law).

(b) "Adjusted Capital Account Deficit" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Member is obligated to restore (pursuant to the terms of such Member's Promissory Note or otherwise) or is deemed to be obligated to restore pursuant to the penultimate sentence of Regulations Section 1.704-1 (b) (2) (iv) (d)(2) ; and

(ii) Debit to such Capital Account the items which are described in Sections 1.704-1(b) (2) (ii) (d) (4), (d) (5) and (d) (6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704-1 (b) (2) (ii) of the Regulations and shall be interpreted consistently therewith.

(c) "Adjusted Capital Contribution" means, as of any day, a Member's Capital Contributions adjusted as follows:

(i) Increased by the amount of any Company liabilities which, in connection with distributions pursuant to Sections 4.2 and 9.4 hereof, are assumed by such Member or are secured by any Company Property distributed to such Member, and

(ii) Reduced by the amount of cash and the Gross Asset Value of any Company Property distributed to such Member pursuant to Sections 4.2 and 9.4 hereof and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company. In the event any Person transfers all or any

portion of his Company interest in accordance with the terms of this Agreement, his transferee shall succeed to the Adjusted Capital Contribution of the transferor to the extent it relates to the transferred Company interest.

(d) "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by, or under common control with such Person, (ii) any Person owning or controlling ten percent (10%) or more of the outstanding voting securities of such Person, (iii) any officer, director, or general partner of such Person, or (iv) any Person who is an officer, director, general partner, trustee, or holder of ten percent (10%) or more of the voting securities of any Person described in clauses (i) through (iii) of this sentence.

(e) "Agreement" or "Limited Liability Company Agreement" means this operating Agreement, as amended from time to time. Words such as "herein," "hereinafter," "hereof," "hereto", and "hereunder," refer to this Agreement as a whole, unless the context otherwise requires.

(e.5) "Bankrupt" shall mean, with respect to any member, the occurrence of any one or more of the following: (i) the making by the Member of an assignment for the benefit of creditors; (ii) the filing of an involuntary petition seeking an adjudication of bankruptcy under chapter 7 of the Bankruptcy Code, which filing is not dismissed within sixty (60) days of the filing; (iii) the filing of a voluntary petition by the member under chapter 7 of the Bankruptcy Code; (iv) the filing of a voluntary or involuntary petition under chapters 11 or 13 of the Bankruptcy Code which is not dismissed within sixty (60) days of the filing, but only if the Member is not the debtor-in-possession of his assets; (v) the entry of an order, judgment or decree by a court of competent jurisdiction providing for the liquidation of the assets of the Member or appointing a receiver, trustee or other administrator of the Member's assets which continues in effect and unstated for a period of sixty (60) days; (vi) the confirmation of any plan of reorganization under either chapter 11 or 13 of the Bankruptcy Code providing for the liquidation of substantially all of the Member's assets. For purposes of (iv) above, a Member shall not be considered a debtor-in-possession of his assets if a trustee, receiver or other person or entity is appointed to, or in fact does, control or operate the assets of the Member.

(e.75) "Bankruptcy Code" shall mean title 11 of the United States Code, as now in effect or as hereafter amended.

(f) "Capital Account" means with respect to any Member, the Capital Account maintained for such Person in accordance with the following provisions:

(i) To each Person's Capital Account there shall be credited such person's Capital Contributions, such Person's distributive share of Profits and any items in the nature of income or gain that are specially allocated pursuant to Section 3.3 or 3.4 hereof, and the amount of any Company liabilities assumed by such Person or secured by any Company Property distributed to such Person.

(ii) To each Person's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Company Property distributed to such Person pursuant to

any provision of this Agreement, such Person's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 3.3 or 3.4 hereof, and the amount of any liabilities of such Person assumed by the Company or which are secured by any property contributed by such Person to the Company.

(iii) In the event any interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(iv) In determining the amount of any liability for purposes of Section 1.7(c)(i), 1.7(c)(ii), 1.7(f)(i), and 1.7(f)(ii) hereof, there shall be taken into account I.R.C. Sec. 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sec. 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Members shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities that are secured by contributed or distributed property or that are assumed by the Company or the Members), are computed in order to comply with such Regulations, the Manager may make such modification, provided that it is not likely to have a material effect on the amounts distributable to any Member pursuant to Section 10 hereof upon the dissolution of the Company. The Manager also shall make any appropriate modifications in the event unanticipated events (for example, the acquisition by the Company of oil or gas properties) might otherwise cause this Agreement not to comply with Regulation Sec. 1.704-1(b).

(g) "Capital Contribution" means, with respect to any Member, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Company with respect to the interests held by such Member.

(h) "Code" or "I.R.C." means the Internal Revenue Code of 1986, as amended or re-codified.

(h.33) "Company" shall mean the Academy Bus LLC formed by the filing of the Articles of Organization, as constituted from time to time.

(h.66) "Contribution Agreement" means an agreement between a person and the company, under which:

(i) the person agrees to make a contribution in the future to the Company;

(ii) the Company agrees that at the time specified for the contribution in the future, the company will accept the contribution in the Required Records, issue to the person a specified number of Membership Interest, and accord the person status as a Member (if the person is not already a Member).

(i) "Contribution Allowance Agreement" means an agreement between a person and the Company, under which:

(i) the person has the right, but not the obligation, to make a contribution to the Company in the future; and

(ii) the Company agrees that, if the person makes the specified contribution at the time specified in the future, the Company will accept the contribution, reflect the contribution in the Required Records, issue to the person a specified number of Membership Interest, and accord the person status as a Member (if the person is not already a Member).

(j) "Core business" means the Company's business involving the operation of real estate holding and rental and any other legitimate business purpose.

(k) "Default rule" means a rule stated in the Act:

(i) which structures, defines, or regulates the finances, governance, operations, or other aspects of a limited liability company organized under the Act, and

(ii) which applies except to the extent it is negated or modified through the provisions of a limited liability company's articles of organization or operating agreement.

(l) "Depreciation" means, for each fiscal year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year or other period, except that, if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis.

(m) "Disinterested" means, with respect to a Manager or Member and with respect to a particular transaction or other undertaking, a Manager or Member who (i) is not a party to that undertaking, (ii) has no material financial interest in any organization that is a party to that undertaking, and (iii) is not related by blood or marriage to any person who either is a party to that undertaking or has a material financial interest in any organization that is a party to that undertaking.

(n) "Dissociation of a Member" or "Dissociation" occurs when the Company has notice or knowledge of an event that has terminated a Member's continued Membership in the Company (including an event that leaves a Member without any Governance Rights).

(o) "Manager" means any Person who (i) is referred to as such in the first paragraph of this Agreement or has become a Manager pursuant to the terms of this Agreement and (ii) has not ceased to be a Manager pursuant to the terms of this Agreement. Manager means all such Persons.

(p) "Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Company;

(ii) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market value, as determined by the Manager, as of the following times: (a) the acquisition of an additional interest in the Company (other than pursuant to Section 2.3(c) hereof) by any new or existing Member in exchange for more than a de-minimus Capital Contribution; (b) the distribution by the Company to a Member of more than a de minimus amount of Company property as consideration for an interest in the Company if the Manager reasonably determine that such adjustment is necessary or appropriate to reflect the relative economic interest of the Members in the Company; and (c) the liquidation of the Company within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g);

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution; and

(iv) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to I.R.C. Sec. 734(b) or 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulation Sec. 1.704-1(b)(2)(iv)(m) and Section 3.3 hereof; provided, however, that Gross Asset Values shall not be adjusted pursuant to this Section 1.7(p)(iv) to the extent the Manager determine that an adjustment pursuant to Section 1.7(p)(iv) is not required.

If the Gross Asset Value of an asset has been determined or adjusted pursuant to Section 1.7(p)(i), 1.7(p)(ii), or 1.7(p)(iv) hereof, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such assets for purposes of computing Profits and Losses.

(q) "Net Cash From Operations" means the gross cash proceeds from Company operation less the portion thereof used to pay or establish reserves for all Company expense, debt payments, capital improvements, replacements, and contingencies, all as determined by the Manager. "Net Cash From Operations" shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances.

(r) "Net Cash From Sales or Refinancing" means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancing of Company Property, less any portion thereof used to establish reserves, all as determined by the Manager. "Net Cash From Sales or Refinancing" shall include all principal and interest payments with respect to any note or other obligation received by the Company in connection with sales and other dispositions (other than in the ordinary course of business) of Company Property.

(s) "Nonrecourse Deductions" has the meaning set forth in Section 1.704-1(b)(4)(iv) of the Regulations. The amount of Nonrecourse Deductions for a Company fiscal year equals the net increase, if any, in the amount of Company Minimum Gain during that fiscal year, determined according to the provisions of Section 1.704-1(b)(4)(iv)(b) of the Regulations.

(t) "Members" means all Members, including Class "A" and Class "B" and Substituted Members, if any, as may exist from time to time. "Member" means any one of the Members. All references in this Agreement to a majority in interest or a specified percentage of the Company shall mean Members holding more than 50 percent of such specified percentage, respectively, or the Company interest then held by Members. The members' interest shall be as defined in section 2.1.1 as amended from time to time by agreement of the members.

(u) "Company Minimum Gain" has the meaning set forth in Regulations Sec. 1.704-1(b)(4)(iv)(c).

(v) "Company Property" means all real and personal property acquired by the Company and any improvements thereto, and shall include both tangible and intangible property.

(w) "Person" means any individual, partnership, corporation, trust, or other entity.

(x) "Profits" and "Losses" means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with I.R.C. Sec. 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to I.R.C. Sec. 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this Section 1.7(x) shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in I.R.C. Sec. 705(a)(2)(B) or treated as I.R.C. Sec. 705(a)(2)(B) expenditures pursuant to Regulations Sec. 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this Section 1.7(x), shall be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Company asset is adjusted pursuant to Section 1.7(p)(ii) or 1.7(p)(iii) hereof, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(iv) Gain or loss resulting from any disposition of Company Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with Section 1.7 (l) hereof; and

(vi) Notwithstanding any other provision of this Section 1.7(x), any items that are specially allocated pursuant to Section 3.3 or 3.4 hereof shall not be taken into account in computing Profits or Losses.

(y) "Promissory Note" means a promissory note payable to the Company.

(z) "Property" means any assets contributed by Members, which will be managed and operated by the Company.

(aa) "Regulations" means the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

(bb) "Substituted Member" means any member who is not an original Member or a lineal descendant of an original Member. Substitute Members shall have no power to vote on any matter but shall be treated for financial or tax purposes as a Member.

SECTION 2. MEMBERS: CAPITAL CONTRIBUTIONS

2.1 Members.

2.1.1 The name, address, and initial Capital Contribution of each Member is as follows:

<u>Name & Address</u>	<u>Capital Contribution</u>	<u>Percentage Interest</u>
<u>Class "A" Members</u>		
The Francis A. Tedesco Revocable Trust c/o Francis A. Tedesco, Trustee 111 Paterson Ave Hoboken, New Jersey	\$ 900.	50%
The Mark L. Tedesco Revocable Trust C/o Mark L. Tedesco, Trustee 111 Paterson Ave Hoboken, New Jersey	\$ 900.	50%
<u>Class "B" Members</u>		
The Francis A. Tedesco Revocable Trust c/o Francis A. Tedesco, Trustee 111 Paterson Ave	\$ 900.	50%

Hoboken, New Jersey

The Mark L. Tedesco Revocable Trust	\$ 900.	50%
C/o Mark L. Tedesco, Trustee		
111 Paterson Ave		
Hoboken, New Jersey		

2.1.2 The maintenance of and value of contributions to a Members' Capital account shall be governed by the rules prescribed in Regulation Section 1.704-1(b)(2)(iv) of the Internal Revenue Code of 1986, as amended.

2.2 Capital Contributions.

(a) Except as otherwise provided in this Agreement, no Member shall withdraw any Capital Contributions without the consent of a majority in number of the Manager. Under circumstances requiring a return of any Capital Contributions, no Member shall have the right to receive property other than cash, except as may be specifically provided herein.

(b) No Member shall receive any interest, salary, or drawing with respect to his Capital Contributions or his Capital Account or for services rendered on behalf of the Company or otherwise in his capacity as a Member, except as otherwise provided in this Agreement.

2.3 Limited Liability.

The Members shall not have any personal liability for obligations of the Company except to the extent of their capital contribution set forth in this Article, Capital Contributions Section, and the Members shall not be required to make any further or additional contribution to the Company or to lend or to advance funds to the Company for any purpose. Notwithstanding the foregoing, (i) if any court of competent jurisdiction holds that distributions (or any part thereof) received by a member pursuant to the provisions hereof constitute a return of capital and directs that a Member may pay such amount (with or without interest thereon) to or for the account of the Company or any creditor thereof, such obligation shall be the obligation of said Member and not of any other Member or the Company, and (ii) a Member shall indemnify and hold harmless the Company and each Member from any liability or loss incurred by virtue of the assessment of any tax with respect to such Member's allocable share of the profits or gain of the Company.

2.4 No Interest on or Right to Withdraw Capital Contributions

No interest shall be paid by the Company on capital contributions or on the balance in any capital account and no Member shall have the right to withdraw its capital contribution or to demand and receive a return of its capital contribution.

SECTION 2.5. COMPANY FUNDS

2.5.1 All funds received by the company shall be utilized for Company purposes as determined by the Manager in the best interest of the Company. Until required for the Company's

business, all Company funds shall be deposited and maintained in such accounts in such banks or other financial institutions as shall be selected by the Manager or shall be invested in securities of the United States Government, certificates of deposit or money market funds designated by the Manager. The Manager or their designee shall have the right to draw checks payable in such funds and make, deliver, accept, and endorse negotiable instruments in connection with the Company's business. Company funds shall not be commingled with funds of any other person.

SECTION 3. ALLOCATIONS

SECTION 3. ALLOCATIONS

3.1 Guaranteed Payment.

3.1.1 The Class "A" Members will receive annually a guaranteed payment determined without regard to the Company's income equal to 4.8% of the capital account as adjusted annually, payable on or before the last day of the Company's accounting year. No interest shall accrue on any timely made guaranteed payment. The Members intend that this distribution shall constitute a qualified payment under Section 2701 of the Code, and all provisions of this Agreement shall be construed to implement this intent. To the greatest extent possible, income shall be allocated to the Class A Members receiving guaranteed payments.

3.1.2 No guaranteed payment will be made if the Company is insolvent or would become insolvent upon making the payment, or if the Manager or the Class "A" Members agree that distribution of the guaranteed payment would be injurious to Company's business. If any guaranteed payment is not paid, the following shall occur:

(a) Such guaranteed payment will be accrued on behalf of the Class "A" Members and will be paid at the earliest time when the Company is not insolvent, will not become insolvent by the payment, and the Class "A" and Class "B" Members agree that the Company's business will not be injured,

(b) Such a guaranteed payment shall accrue interest at the highest prime interest rate charge on the first day such payment was initially to have been made, utilizing the prime rate as quoted in the New York Times reflecting New York City's largest banks, and

(c) No Company cash or property shall be distributed to or withdrawn with respect to any Member, other than for payments to Member not in his or her capacity as a Member (such as for salary, rent, or interest).

3.1.3 If the Company fails for two (2) consecutive accounting years to make the required guaranteed payments, any Member whose payments thereby in default may, sixty (60) calendar days after service of written notice upon every other Member, require the Company to buy such interest for its liquidation amount or, based upon a fair market value of the assets of the Company, as determined by the certified public account for the Company. The Company shall buy such interest by giving its owner an unsecured negotiable promissory note bearing interest at the highest prime interest rate charged on the date the sixty (60) day period expired, as reported in the New

York Times for the largest New York City banks. Said promissory notes shall provide for twenty (20) equal quarterly payments, beginning on the expiration date of the said sixty (60) day period. This "put" and the Company's purchase of a preferred interest under it is not a transfer otherwise subject to the rules contained herein under Sections 8 and 9 herein.

3.1.4 Mandatory Distributions. In the event that any profits are earned and taxed to the members, pursuant to §3.1.1 and/or 3.2, the members hereby agree that a mandatory distribution shall be made to any original member or any permitted assignee or trusts for the benefit of the original members. Said mandatory distribution does not need to be made to a member who is not an original member or permitted assignee. The mandatory distribution shall equal a percentage of profits consisting of the sum of the maximum Federal income tax rate plus the maximum N.J. income tax rate for individuals.

3.2 Profits. Except as provided in Sections 3.5 and 3.6(b) hereof, Profits for any fiscal year shall be allocated in the following order:

(a) To the Members until the cumulative Profits allocated pursuant to this Section 3.2(a) are equal to the cumulative Losses allocated pursuant to Section 3.3(a) hereof for all prior periods;

(b) The balance, if any, two (2%) percent to the Class "A" Members and ninety-eight (98%) percent divided amongst Class "B" Members based upon their respective capital accounts.

3.3 Losses. Except as provided in Section 3.5 hereof, Losses for any fiscal year shall be allocated in the following order and priority:

(a) Except as provided in Sections 3.3(b) hereof, Losses shall be allocated to Members as their ownership interests exist.

(b) To the extent Profits have been allocated pursuant to Section 3.2(b) hereof for any prior year, Losses shall be allocated first to offset any Profits allocated pursuant to Section 3.2(b) hereof. To the extent any allocation of Profits are offset pursuant to this Section 3.3(b), such allocations shall be disregarded for purposes of computing subsequent allocations pursuant to this Section 3.

3.1.4 Mandatory Distributions. In the event that any profits are earned and taxed to the members, pursuant to §3.1.1 and/or 3.2, the members hereby agree that a mandatory distribution shall be made to any original member or any permitted assignee or trusts for the benefit of the original members. Said mandatory distribution does not need to be made to a member who is not an original member or permitted assignee. The mandatory distribution shall equal a percentage of profits consisting of the sum of the maximum Federal income tax rate plus the maximum N.J. income tax rate for individuals.

3.2 Profits. Except as provided in Sections 3.5 and 3.6(b) hereof, Profits for any fiscal year shall be allocated in the following order:

(a) To the Members until the cumulative Profits allocated pursuant to this Section 3.2(a) are equal to the cumulative Losses allocated pursuant to Section 3.3(a) hereof for all prior periods;

(b) The balance, if any, two (2%) percent to the Class "A" Members and ninety-eight (98%) percent divided amongst Class "B" Members based upon their respective capital accounts.

3.3 Losses. Except as provided in Section 3.5 hereof, Losses for any fiscal year shall be allocated in the following order and priority:

(a) Except as provided in Sections 3.3(b) hereof, Losses shall be allocated to Members as their ownership interests exist.

(b) To the extent Profits have been allocated pursuant to Section 3.2(b) hereof for any prior year, Losses shall be allocated first to offset any Profits allocated pursuant to Section 3.2(b) hereof. To the extent any allocations of Profits are offset pursuant to this Section 3.3(b), such allocations shall be disregarded for purposes of computing subsequent allocations pursuant to this Section 3.

3.4 Special Allocations.

(a) To the extent the Company has taxable interest income with respect to any Promissory Note pursuant to I.R.C. Sec. 483 or Sections 1271-1286:

(i) Such interest income shall be specially allocated to the Member to whom such Promissory Note relates; and

(ii) The amount of such interest income shall be excluded for the Capital Contributions credited to such Member's Capital Account in connection with payments of principal with respect to such Promissory Note.

(b) In the event the adjusted tax basis of any Section 38 property that has been placed in service by the Company is increased pursuant to I.R.C. Sec. 48(q), such increase shall be specially allocated among the Members (as an item in the nature of income or gain) in the same proportions as the investment tax credit that is recaptured with respect to such property is shared among the Members.

(c) Notwithstanding any other provision of this Section 3, if there is a net decrease in Company Minimum Gain during any Company fiscal year, each Member who would otherwise have an Adjusted Capital Account Deficit at the end of such year shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount and manner sufficient to eliminate such Adjusted Capital Account Deficit as quickly as possible. The items to be so allocated shall be determined in accordance with Regulations Section

1.704-1(b) (4) (iv) (e). This Section 3.4(c) is intended to comply with the minimum gain charge-back requirement in such Section of the Regulations and shall be interpreted consistently therewith.

(d) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to I.R.C. Sec. 734(b) or 743(B) is required, pursuant to Regulations Sec. 1.704-1(b)(2)(iv) (m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regs.

(e) Any reduction in the adjusted tax basis (or cost) of Company Section 38 property pursuant to I.R.C. Sec. 48(q) shall be specially allocated among the Members (as an item in the nature of expenses or losses) in the same proportions that the basis (or cost) of such property is allocated pursuant to Regulation Sec. 1.46-3(f)(2)(i).

3.5 Curative Allocations. The allocation set forth in Sections 3.3(b) (last sentence), 3.4(c), and 3.4(d) hereof (the "Regulatory Allocations") are intended to comply with certain requirements of Regulations Sec. 1.704-1(b). The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company distributions. Accordingly, the Managing Member are hereby authorized to divide other allocations of Profits, Losses and other items among the Members so as to prevent the Regulatory Allocations from distorting the manner in which Company distributions will be divided among the Members pursuant to Section 9 hereof. In general, the Members anticipate that this will be accomplished by specially allocating other Profits, Losses, and items of income, gain, loss, and deduction among the Members so that the net amount of the Regulatory Allocations and such specially allocations to each such Person is zero. However, the Managing Member shall have discretion to accomplish this result in any reasonable manner.

3.6 Other Allocations Rules.

(a) The basis (or cost) of any Company Section 38 property shall be allocated among the Members in accordance with Regulation Sec. 1.46-3(f)(e)(i). All tax credits (other than the investment tax credit) shall be allocated among the Members in accordance with applicable law.

(b) In the event Company Section 38 property is disposed of during any taxable year, Profits for such taxable year (and, to the extent such Profits are insufficient, Profits for subsequent taxable years) in an amount equal to the excess, if any, of (i) the reduction in the adjusted tax basis (or cost) of such property pursuant to I.R.C. Sec. 48(q), over (ii) any increase in the adjusted tax basis of such property pursuant to I.R.C. Sec. 48(q) caused by the disposition of such property, shall be excluded from the profits allocated pursuant to Section 3.1 hereof and shall instead be allocated among the Members in proportion to their respective shares of such excess, determined pursuant to Sections 3.4(b) and 3.4(c) hereof. In the event more than one item of such property is disposed of by the Company, the foregoing sentence shall apply to such items in the order in which they were disposed of by the Company, the foregoing sentence shall apply to such items in the order in which they were disposed of by the Company, so that Profits equal to the entire amount of such excess with respect to the first such property disposed of shall be allocated prior to any allocation with respect to the second such property disposed of, and so forth.

(c) Generally, all Profits and Losses allocated to the Members shall be allocated among them in proportion to their respective share of Profits and Losses within their membership class.

(d) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Managing Member using any permissible method under I.R.C. Sec. 706 and the Regulations thereunder.

(e) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, and deduction and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the year.

(f) The Members are aware of the income tax consequences of the allocations made by this Section 3 and hereby agree to be bound by the provisions of this Section 3 in reporting their shares of Company income and loss for income tax purposes.

3.7 Tax Allocation: I.R.C. Section 704(c). In accordance with I.R.C. Sec. 704(c) and the Regulation thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account to any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with Section 1.7(p) hereof).

In the event the Gross Asset Value of any Company asset is adjusted pursuant to Section 1.7(p) hereof, subsequent allocation of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under I.R.C. Sec. 704(c) and the Regulations thereunder.

SECTION 4. DISTRIBUTIONS

4.1.1. Net Cash From Operations. Except as otherwise provided in Section 9 hereof, Net Cash From Operations, if any, shall be distributed, at such times as the Manager may determine.

4.2 Net Cash From Sales or Refinancing. Except as otherwise provided in Section 9 hereof, Net Cash From Sales or Refinancing may be distributed, at such times as the Manager and Members may determine.

(a) First, to the Class "A" Members, until their Adjusted Capital Contributions are reduced to zero;

(b) Second, to the Class "B" Members on a pro-rata basis until their Adjusted Capital Contributions are reduced to zero;

(c) The balance, if any, to the Class "B" Members on such terms and conditions as the Manager shall determine.

(a) Reserved.

(b) Reserved.

(c) Reserved.

4.3 Division among Members. All distributions to the Members pursuant to this Section 4 shall be divided among them in proportion to their respective shares of Profits and Losses.

SECTION 5. MANAGEMENT

5.1 Authority of Manager. Except to the extent otherwise provided herein, the Manager shall have the sole and exclusive right to manage the business of the Company and shall have all of the rights and powers that may be possessed by Manager under the Act, including, without limitation, the right and power to:

(a) Acquire by purchase, lease, or otherwise any real or personal property that may be necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(b) Operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate and personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Company Property;

(c) Execute any and all agreements, contracts, documents, certifications, and instruments necessary or convenient in connection with the management, maintenance, and operation of Company Property;

(d) Borrow money and issue evidence of indebtedness necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and secure the same by mortgage, pledge, or other lien on any Property, as are necessary to consummate the purchase or refinancing of any Company Property;

(e) Execute, in furtherance of any or all of the purposes of the Company, any deed, lease, mortgage, mortgage note, promissory note, bill of sale, contract, or other instrument purporting to convey or encumber any or all of the Company Property;

(f) Prepay in whole or in part, refinance, recast, increase, modify, or extend any liabilities affecting the Company Property and in connection therewith execute any extensions or renewals of encumbrances on any or all of the Company Property;

(g) Care for and distribute funds to the Members by way of cash, income, return of capital, or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objective of the Company or this Agreement;

(h) Contract on behalf of the Company for the employment and services of employees and/or independent contractors and delegate to such Persons the duty to manage or supervise any of the assets or operations of the Company;

(i) Engage in any kind of activity and perform and carry out contract of any kind (including contracts of insurance covering risks to Company Property) necessary or incidental to, or in connection with, the accomplishment of the purposes of the Company, as may be lawfully carried on or performed by a limited liability company under the laws of each state in which the Company is then formed or qualified; and

(j) Make any and all elections for federal, state, and local tax purposes, including, without limitation, any election, if permitted by applicable law: (i) to adjust the basis of Company Property pursuant to I.R.C. Sec. 754, 734(b), and 743(b), or comparable provisions of state or local law, in connection with transfers of Company interests and Company distributions; (ii) to extend the statute of limitations for assessment of tax deficiencies against the Members with respect to adjustments to the Company's federal, state or local tax returns; and (iii) to represent the Company and Members, before taxing authorities or courts of competent jurisdiction in tax matters affecting the Company and Members, in their capacity as Members and to execute any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Company and Members. The Manager, Francis A. Tedesco, is specifically authorized to act as the "Tax Matters Member" under the Code and in any similar capacity under state or local law.

5.2 Right to Rely on Manager. Any Person dealing with the Company may rely upon a certificate signed by any Manager as to:

(a) The identity of any Manager;

(b) The existence or nonexistence of any fact or facts that constitute a condition precedent to acts by a Manager or that are in any other manner germane to the affairs of the Company;

(c) The Persons who are authorized to execute and deliver any instrument or document of the Company; or

(d) Any act or failure to act by the Company or any other matter whatsoever involving the Company or any Member.

5.2.5 Number and Appointment of Manager

5.2.5.1 The initial number of Manager of the Company shall be one (1). Such number may be changed from time to time upon the affirmative vote of the Members holding 67% of the voting

Membership interests who are present at a meeting called for such purpose, and a Manager may be removed at such a meeting called for such a purpose upon the same vote.

5.2.5.2 A Manager may resign at any time upon prior written notice to the Company. In the event of a vacancy in the position of Manager by reason of resignation, removal, death, or Bankruptcy, a successor shall be appointed by the affirmative vote of the Members holding a majority of the Membership Interests who are present at a meeting called for such purpose.

5.2.5.3 A Manager shall not be required to be a Member of the Company or a resident of New Jersey.

5.3. Restrictions on Authority of Manager.

5.3.1 Without the consent of all the Members, no Manager shall have the authority to:

- (a) Perform any act in contravention of this Agreement;
- (b) Perform any act that would make it impossible to carry on the ordinary business of the Company, except as otherwise provided in this Agreement;
- (c) Confess a judgment against the Company;
- (d) Possess Company Property, or assign rights in specific Company Property, for other than a Company purpose;
- (e) Invest in deeds which upon filing, will not have senior status, or similar obligations, except that the Company may advance a portion of the purchase price of Company Property to the seller in the form of a loan, and that such deeds or similar obligations may be taken back from purchasers of Company Property in connection with the sale thereof by the Company.

5.3.2 Without the consent of a majority in interest of the voting Members, no Manager shall have the authority to:

- (a) Sell or otherwise dispose of, at one time, all or substantially all of the Company Property, except for a liquidating sale of Company Property in connection with the dissolution of the Company;
- (b) Elect to dissolve the Company; or
- (c) Amend this Agreement.

5.4 Duties and Obligation of Manager.

5.4.1 The Manager shall take all action that may be necessary or appropriate (a) for the continuation of the Company's valid existence as a limited liability company under the laws of the State of New Jersey and (b) for the acquisition, development, maintenance, preservation, and

operation of Company Property in accordance with the provisions of this Agreement and applicable laws and regulations.

5.4.2 The Manager shall have the fiduciary duty for the safekeeping and use of all Company Property, whether or not in the immediate possession or control of the Manager, and shall not employ or permit another to employ Company property in any manner except for the exclusive benefit of the Company.

5.4.3 The Manager shall devote to the Company such time as may be necessary for the proper performance of all duties hereunder, but the Manager shall not be required to devote full time to the performance of such duties.

5.4.4 The Manager shall be under a fiduciary duty to conduct the affairs of the Company in the best interests of the Company, including the safekeeping and use of all of the Company Property and the use thereof for the exclusive benefit of the Company.

5.5 Indemnification of Manager.

5.5.1 The Company, its receiver, or its trustee shall indemnify, save harmless, and pay all judgments and claims against any Manager relating to any liability or damage incurred by reason of any act performed or omitted to be performed by such Manager in connection with the business of the Company, including attorney fees incurred by such Manager in connection with the defense of any action based on any such act or omission, which attorney fees may be paid as incurred, including all such liabilities under federal and state securities laws as permitted by law.

5.5.2 The Company shall indemnify, save harmless, and pay all expenses, costs, or liabilities of any Manager who, for the benefit of the Company, makes any deposit, acquires any option, or makes any other similar payment or assumes any obligation in connection with any property proposed to be acquired by the Company and who suffers any financial loss as the result of such action.

5.5.4 Notwithstanding the provisions of Sections 5.5.1, and 5.5.2 hereof, no Manager shall be indemnified from any liability for fraud, bad faith, willful misconduct, or gross negligence.

5.6 Compensation and Expenses of Manager.

5.6.1 Each Manager may charge the Company for any expenses incurred in connection with the Company business.

5.6.2 No Manager shall receive any fees or other compensation for serving as a Manager unless such fees or other compensation is approved by a majority in interest of the voting Members. However, each Manager shall be entitled to the distributions and allocations provided for elsewhere in this Agreement.

5.7 Operating Restrictions.

5.7.1 No rebates, kickbacks, or reciprocal arrangements may be received or entered into by any Manager, nor may any Manager participate in any business arrangement that would circumvent this Agreement.

5.7.2 The funds of the Company shall not be commingled with the funds of any other Person.

5.7.3 The signatures of all the Manager shall be necessary to convey title to any real property owned by the Company or to execute any promissory notes, deeds, mortgages, or other instruments of hypothecation, and all of the Members agree that a copy of this Agreement may be shown to the appropriate parties in order to confirm the same, and further agree that the signature of any one or more of the other Manager shall be sufficient to execute any "Statement of Company" or other documents necessary to effectuate this or any other provision of this Agreement. The Members do hereby appoint each Manager as their attorney-in-fact for the execution of any or all of the documents described herein.

5.8 Manager.

5.8.1 The Manager of the Company shall be Francis Tedesco. The Manager shall be primarily responsible for the operation and daily affairs of the Company; provided, however, the duties of the Manager shall be executive and managerial in nature only, and the Manager shall not be required to devote all or any particular portion of his time to the business of the Company. In the event the Manager is required to perform operational services for the Company which an employee or independent contractor or consultant would otherwise perform, the Manager shall be entitled to receive a reasonable hourly fee or compensation commensurate with his duties, and independent of his obligations and duties as a member, upon submission of an invoice detailing the services performed on behalf of the Company. Such fee is intended to be a payment under I.R.C. Sec. 707 (a) and not under I.R.C. Sec. 707 (c).

5.8.2 In the event that Francis Tedesco ceases to act, fails to act or should be deceased, the Members hereby appoint and nominate Mark Tedesco as successor Manager.

5.8.3 The Members hereby agree that the then acting Manager may be entitled to a management fee for operating the Company's rental properties on a daily basis.

5.8.4 The Manager shall be able, in their sole discretion, to sell or refinance any Company property.

5.8.5 Members. Except as otherwise set forth in this Agreement, the Members shall have no rights or powers to take part in the management and control of the Company in its business and affairs. The Members shall have the right to vote on the matters explicitly set forth in this Agreement.

SECTION 6 BOOKS AND RECORDS

6.1 Books and Records. The Company shall keep adequate books and records at its place of business, setting forth a true and accurate account of all business transactions arising out of and in connection with the conduct of the Company. Any Member or his designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of such books and records.

6.2 Annual Reports. Within a reasonable period after the end of each Company fiscal year, each Member shall be furnished with an annual report containing a balance sheet as of the end of such fiscal year and statements of income, Members' equity, and changes in financial position and a cash flow statement for the year then ended.

6.3 Tax Information. Necessary tax information shall be delivered to each Member after the end of each fiscal year of the Company. Every effort shall be made to furnish such information within 90 days after the end of each fiscal year.

SECTION 7 AMENDMENTS; MEETINGS

7.1 Amendments.

(a) Amendments to this Agreement may be proposed by any Manager. The Manager shall seek the written vote of the Members on the proposed amendment or shall call a meeting to vote thereon and to transact any other business that it may deem appropriate. For purposes of obtaining a written vote, the Manager may require response within a reasonably specified time, but not less than fifteen days, and failure to respond in such time period shall constitute a vote that is consistent with the Manager's recommendation with respect to the proposal. A proposed amendment shall be adopted and be effective as an amendment hereto if it receives the affirmative vote of a majority in interest of the Members.

(b) Notwithstanding Section 7.1(a) hereof,

(i) This Agreement shall not be amended without the written consent of each Person adversely affected if such amendment would modify the limited liability, alter the interest of a Member in Profits, Losses, other items, or any Company distributions; and

(ii) This Agreement may be amended by the Manager: (A) to add to the representations, duties, or obligations of the Manager or surrender any right or power granted to the Manager herein; and (B) to cure any ambiguity or to correct or supplement any provision hereof that may be inconsistent with any other provisions hereof, or to make any other provision with respect to matters or questions arising under this Agreement not inconsistent with the intent of this Agreement, including any typographical errors.

(iii) The mandatory distribution provisions of section 3.1.4, and the Power of Attorney provided in section 10 shall not be amended without the consent of Ninety

(90%) percent of all members, excluding those members not entitled to vote (i.e. substitute members)

7.2 Meetings and Means of Voting.

(a) Meetings of the Members may be called by any Manager. The call shall state the nature of the business to be transacted. Notice of any such meeting shall be given to all Members not less than 7 days nor more than 30 days prior to the date of such meeting. Members may vote in person or by proxy at such meeting. Whenever the vote or consent of Members is permitted or required under the Agreement, such vote or consent may be given at a meeting of Members or may be given in accordance with the procedure prescribed in Section 7.1 hereof. Except as otherwise expressly provided in the Agreement, the vote of a majority in interest of the Members shall control.

(b) For the purpose of determining the Members entitled to vote on, or to vote at, any meeting of the Members or any adjournment thereof, the Manager may fix, in advance, a date as the record date for any such determination of Members. Such date shall not be more than 60 days nor less than 10 days before any such meeting.

(c) Each Member may authorize any Person or Persons to act for him by proxy on all matters in which a Member is entitled to participate, whether by waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Member or his attorney-in-fact. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it.

(d) Each meeting of Members shall be conducted by the Manager or such other Person as the Manager may appoint pursuant to such rules for the conduct of the meeting as the Manager or such other Person deems appropriate.

SECTION 8 TRANSFER OF MEMBERSHIP INTERESTS

8.1 Restrictions on Sale, assignment, Transfer or other Disposition of a Company interest.

(a) No Manager may sell, assign, transfer or otherwise dispose of, or pledge, hypothecate or otherwise encumber his or her Company interest or any part thereof except as permitted in this Section and any act violation of this Section shall be null and void against the Company, except as otherwise provided by law.

(b) No Manager may withdraw, resign, or retire from the Company or transfer or assign any or all of his Company interest, except as hereinafter provided. Subject to applicable law, a Manager may transfer his or its whole Company interest to (i) any corporation, firm, or trust directly or indirectly controlling, controlled by, or under control of such Manager with the written consent of the other Manager; or (ii) any other person, corporation, Trust or firm upon the prior

written consent of at least a majority in interest of the other Manager; or (iii) to any existing Manager.

(c)(i) Notwithstanding the provisions hereof, in the event of the death, legal incompetency, bankruptcy, insolvency, or appointment of a receiver of any Manager, the legally authorized personal representative of such individual shall have all the rights of a Manager with respect to distributions and allocations hereunder (but shall not be a Manager) for the purposes of settling or managing such individual's estate, and shall have such power as such Manager possessed to make an assignment of such individual's Company interest in accordance with the terms hereof. Any such personal representative shall notify the Company in writing at least 90 days prior to such assignment and shall, if the Company so requests at any time prior to such assignment, assign such Company interest to any successor Manager designated pursuant hereto.

(c)(ii) Notwithstanding anything to the contrary, upon the death of one Member (unless pursuant to the terms of his or her will, the deceased Member's interest is bequeathed solely to the remaining original Members, their respective spouse or children, or trusts for their benefit) the surviving original Member(s) shall be obligated to purchase and the estate of the deceased Member shall be obligated to sell all of the interest of the Company owned by such deceased Member at the time of his or her death, at the price and upon the following terms and conditions:

(A) The price at which such Company interest shall be sold shall be the ratable value thereof, determined in accordance with the provisions of Section 8.1(f) hereof.

(B) A closing date for the sale and purchase under the terms of this Paragraph shall be set by the surviving Manager(s) and the representative of the estate of such deceased Member, which closing date shall not be earlier than thirty (30) calendar days nor later than ninety (90) calendar days following the appointment of the personal representative of the deceased Member. The time and place of closing shall be set by an agreement between the surviving Members and the legal representative of the deceased Member. Any insurance proceeds derived from any policy on the deceased Member shall be utilized to purchase the deceased Member's interest.

(C) At the closing of the sale and purchase as hereinabove set forth, the legal representative of the estate of the deceased Member shall transfer the Company interest to the surviving Member(s) and the surviving Member(s) shall pay to the legal representative of the estate of such deceased Member the price herein determined. Notwithstanding the foregoing, if the purchase price herein determined exceeds the proceeds of insurance available for such purpose, the surviving Member(s) shall have the option to pay the balance either in a lump sum or in six (6) equal semiannual installments, the first such installment being due and payable six (6) months after the date of closing. Said six (6) semiannual installments shall be evidenced by a non-negotiable promissory note, payable to the estate of the deceased Member, bearing interest at the minimum amount provided by the Code, payable semiannually simultaneously with the payment of principal and containing provisions for the right of prepayment without penalty.

(D) Ownership of the Company interest and all rights inherent thereon shall vest immediately in the surviving Member(s) upon payment of the purchase price in cash.

(E) In order to insure that all or a substantial part of the purchase price of the deceased Manager's or Member's shares of stock will be available in cash upon his death, the Manager or Members may purchase contracts of insurance on the lives of the Manager or Members, which contracts are set forth in Schedule "B" annexed hereto and made a part hereof. The Manager or Members may, from time to time, procure additional contracts of insurance which shall also be set forth in Schedule "B". The Manager or Members, other than the insured, shall be the sole owners and primary beneficiaries of such contracts of insurance so purchased, and each Member agrees that he or she shall pay the premiums thereon as they become due. As long as this Agreement remains in effect, the Manager or Members further agree that they shall not exercise any of the rights or privileges granted to them as owner by the terms of such contracts of insurance, such as the right to borrow upon, surrender for cash, change the beneficiary, in whole or part, or assign the contracts, except with the prior written consent of insured Members. Notwithstanding the foregoing, any dividend payments upon the policies of insurance set forth in Schedule "B" prior to maturity shall be payable to the owners thereof, or otherwise in accordance with the instructions of the owners.

(d) Any person other than another Original Manager who acquires, in any manner whatsoever (except as herein otherwise provided), a Company interest, or any portion thereof, of a Manager or substitute Manager, shall not be a Manager, but shall be entitled to become a Successor Manager (as the term is defined herein) upon written acceptance and adoption of all of the terms and provisions of this Agreement. Such person shall, to the extent of the Company interest acquired, have the same rights with respect to distributions, income, losses, cash flow and capital of the Company as the predecessor holder of such Company interest or, pursuant hereto (i.e., such person shall be treated for financial purposes as if he were a Manager).

(e) In the event that a Member desires to sell, transfer, assign, retire or otherwise dispose of any or all of his Membership interest owned by him, or interest is acquired by a person not a party to this Agreement by reason of death, gift, taking by a creditor, or a bankruptcy, such Member or third party for this purpose being referred to as the "selling Member", the following terms, conditions and limitations shall be applicable:

(i) Such selling Member shall first offer to sell the Member's interest which he desires to dispose of by extending to the remaining Members a thirty (30) day option, in writing, giving such remaining Members the option to purchase equally such shares of interest as the selling Member then desires to dispose of, or in the case of a third party, all such interest acquired, at the price and on the terms and conditions hereinafter set forth in subparagraph (f) ("First Offer"). If the remaining Members do not exercise the First Offer option to the full extent thereof, then the selling Member may accept such partial exercise or reject the same.

(ii) Failing such First Offer option as described in Paragraph 8.1(e)(i) above, the selling Member shall offer to sell the Membership interest which he desires to dispose of by extending to the Company a thirty (30) day option, in writing, giving the Company the option

to redeem such Member's interest as the selling Member then desires to dispose of, or in the case of a third party, all such shares acquired, at the price and on the terms and conditions hereinafter set forth in subparagraph (f) ("Second Offer"). If the Company does not exercise the aforesaid Second Offer option to the full extent thereof, then the selling Member may accept such partial exercise or reject the same.

(iii) Notwithstanding the foregoing, nothing herein shall prohibit the Members from transferring or giving all or a part of their Membership interest as a gift to any of the other Members and/or their children, their spouse or trusts for their benefit. However, if any Class "A" member gives, sells, or otherwise transfers such interest to any other member, such interest shall then be considered a Class "B" interest as such term is defined herein.

(f)(i) The purchase price of each Membership interest of the Company shall be its value as determined herein. In order to most nearly approximate the true value of the Company, the Member shall have considered the various elements entering into the valuation of the Membership interest of the Company, and have concluded that consideration must be given to the tangible and intangible value of the Company's assets and the value of whatever goodwill may attach to the Company. With the foregoing in mind, the parties have determined that the full and true value of the Company, as of the date of this Agreement, is the amount set in the Certificate of Value, attached hereto and made a part hereof, and bearing even date herewith. The parties do further agree that they shall have the right to re-determine the full and true value of the of the Company as often as desired, but shall re-determine such value no less frequently than every year, and upon such redetermination of value, shall execute and file a revised Certificate of Value, setting forth the revised full and true value of the Company as of such valuation date. For all purposes of this Agreement, the value set forth on the Certificate of Value, annexed hereto and made a part hereof and bearing even date herewith or in the most recent Certificate of Value filed pursuant to this Paragraph, as the case may be, shall be conclusively presumed to be the full value of any sale or purchase hereunder.

(ii) In the event that said value is not re-determined within a two (2) year period after the last such determination, the members agree to have any real property interests appraised and the CPA for the Company, currently Deo, LaManna Deo, P.C. shall determine the value of said interest utilizing the appraisal.

(g) In the event that a Member sells or transfers his or her Company interest pursuant to Sections 8.1(e) hereof, then ten percent (10%) of the purchase price shall be payable in cash or certified check at the meeting of the Company. The remainder of the purchase price shall be payable in twenty (20) equal semi-annual installments the first such installment being due and payable six (6) months after the closing date. Said twenty (20) semi-annual installments shall be evidenced by a non-negotiable promissory note, payable to the selling Member, bearing interest at the lowest term AFR (Applicable Federal Rate) published as of the date of closing, payable semiannually simultaneously with the payments of principal, and containing provisions for the right of prepayment without penalty.

(h) In the event that the Company and remaining Members, fail to purchase all of the Membership interest of the Selling Member, then the Selling Member may give, sell, assign,

transfer, encumber, or otherwise dispose of (hereinafter the "Assignment") his or her Company interest to a third party or entity, provided that the following conditions are met:

(i) The Assignment will not impair the ability of the Company or any remaining Member, if Applicable, to take advantage of the benefits of any provision of the Code;

(ii) Such person or entity furnishes an opinion of counsel, satisfactory in form and substance to the Company's counsel, to the effect that such assignment will not violate federal securities laws, or any applicable state securities laws;

(iii) Such person or entity represents that he or it is acquiring the interest of the Selling Member for his or its own account and investment and not with a view to distribution thereof; and

(iv) Such person or entity agrees to comply with the terms, covenants, conditions, and representations of this Agreement and to execute any and all documents that the Manager may deem necessary in connection with the Assignment.

(v) If the foregoing conditions specified in Section 8.1(h)(i) through 8.1(h)(iv) are met, the person or entity acquiring the Company interest of the Selling Member shall become a Substituted Member (hereinafter the "Substituted Member").

(j) Upon the death, Bankruptcy, or legal incompetency of a Member (and, in the case of a Member that is a corporation, association, partnership, trust, or joint venture, the dissolution or termination of such a member) the Company shall not be dissolved. The personal representative, guardian, or other successor in interest of such Member shall have all of the rights of a Substituted Member for the sole purpose of settling the estate or business of such Member and shall be required to comply with the terms and conditions of this Section 8; provided, however, that the Manager in their sole and absolute discretion, after taking into account the factors set forth in Section 8.1(h) to the extent applicable, consent in writing to such a substitution, such personal representative, guardian, or other successor in interest, or the estate of such Member, shall be a Substituted Manager in the Company. The Company may refuse to recognize the dissolution of a corporation or partnership or termination of a trust, if such event creates a transfer, which would not be permissible under the provisions of this Section.

(k) Notwithstanding anything to the contrary in Section 8 no sale or exchange of any Company interest in the Company may be made if the Company interest sought to be sold or exchanged, when added to the total of all other interests sold or exchanged within the period of 12 consecutive months prior thereto, would, in the opinion of counsel for the Company, result in the termination of the Company under I.R.C Sec. 708 (or any successor statute). However, such sale or exchange may be made if, prior to the date of transfer, upon the application and at the expense of the Member desiring to sell or exchange, there shall have been granted to the proposed transferor Member, or to the Company, a private ruling from the Internal Revenue Service to the effect that such proposed sale or exchange or transfer will not cause such termination of the Company.

(l) All costs and expenses incurred by the Company in connection with any disposition of a Company interest (or any part thereof) pursuant to this Section and/or any person becoming a Member in the Company in respect of such interest (or such part thereof), including any filing, recording, and publishing costs, and the fees and disbursements of counsel, shall be paid by the Member disposing of such interest or such part thereof.

(m) If the Company interest (or any part thereof) of a Member in the Company is disposed of pursuant to this Section, such Member shall nevertheless be entitled to a portion of the Profits and be charged with a portion of the Losses allocated to such interest (or part thereof) in accordance with Section 3 for the fiscal year of the Company to which such disposition occurs, based upon the number of days in such year that he or she owned such interest (or part thereof), and any predecessor or successor of such Member in respect of such interest (or part thereof) shall share in such Profits and be charged with such Losses on the same basis.

(n) At the request of the executors, administrators, or legal representatives of a Member who has died or become legally incompetent, and at the request of a Substituted Manager at his or her option, the Managing Manager may, in his or her sole discretion, file on behalf of the Company an election under I.R.C. Sec. 754 permitting adjustments to basis as provided for in I.R.C. Sections 734 and 743. Any extraordinary accounting and legal expenses incurred on account of such action shall be the responsibility of the estate or Substituted Manager requesting such action.

SECTION 9. DISSOLUTION AND LIQUIDATION

9.1 Date of Dissolution and Liquidation. The Company shall (i) have perpetual existence; or (ii) prior thereto in the discretion of the Manager upon the sale or other disposition of all or substantially all of the Company's assets; provided, that the Company need not be dissolved if the Proceeds of sale include notes or other deferred payments until all such payments have been received; or (iii) upon the consent of the Members who are the holders of a majority in interest; or (iv) upon the removal, as provided by law, resignation, retirement, death, adjudication of Bankruptcy, insolvency, dissolution, or incompetency of the Original Manager unless within a period of 90 days from such events, either (A) the Successor Manager shall unanimously elect to continue the business of the Company, and for that purpose the Successor Manager may elect, by vote of a majority in interest, a successor Manager who consents to and accepts such designation as of the date of such event and agree to be bound by all of the obligations of the Manager under this Agreement; or (B) the Successor Manager unanimously elects to continue the business of the Company in such other reconstituted form as he shall agree; or (C) at the election of any individual Manager who was a Manager at the time the formation of the Company but such power shall not be held by any Substitute Manager or any Manager admitted to the Company after its formation or any Member who acquires a Company interest from any Manager.

9.2 Rights of a Successor Manager. If the Members vote to appoint a new Manager as a successor to any withdrawing or retiring Original Manager, or as a successor to any deceased or legally incompetent Manager at a time when there is no other Original Manager hereunder, such successor shall have the right to acquire the interest of any predecessor as a Manager at a price equal to the value of such interest as determined by the Company's accountants (or such price as may be agreed upon by such predecessor) as of the date upon which said predecessor withdrew, retired,

voted to dissolve or liquidate, was adjudged a bankrupt, entered into an assignment for the benefit of creditors, had a receiver appointed to administer such predecessor's interest in the Company or such interest was seized by a judgment creditor, became legally incompetent, or died, as the case may be. In making such determination, the Company's accountant shall be entitled to rely upon an appraisal prepared by an independent real estate and/or securities appraiser of recognized standing selected by them. The rights hereunder of the Members to require the determination of such price shall be exercised, if at all, within 90 days after the later of the date as of which valuation of the Manager's interest is to be made hereunder or the date when the Members are given notice of the date giving rise to such valuation. The acquisition of such interest shall take place, if at all, within 45 days after the date upon which the aforesaid valuation has been made and notice thereof given by the Company's accountant to all of the Members.

Notwithstanding, the Company shall continue unless Manager(s) determine to discontinue based on the death or withdrawal of any member.

9.3 Continuation of the Company. In the event that the Members elect to continue the business of the Company pursuant to Section 9.1(iv) (A) above, such election and designation shall not be deemed a termination of the Company and the business of the Company shall be continued, using the Company assets and name, in a reconstituted form if necessary, upon the same terms and conditions as set forth in the Agreement, and each Member hereby agrees to such continuation and/or reconstitution. If a successor Manager is elected pursuant to such Article, or the business of the Company is continued in whatever form, an account shall be prepared covering the transactions of the Company since the end of the previous fiscal year.

9.4 Dissolution of the Company. In the event of a dissolution of the Company in accordance with Section 9.1 (ii), or (iii), the Manager (or in the event of a dissolution in accordance with Section 9.1(iv), a special liquidator appointed by a majority in interest of the Substitute Manager) shall immediately commence to wind up Company affairs and shall liquidate the assets of the Company as promptly as possible, but in an orderly and business like manner so as not to involve undue sacrifice, unless the Members, determine that an immediate sale of all or part of the Company assets would cause undue loss to the Company, in which event (i) the liquidation may be deferred for a reasonable time except as to those assets necessary to satisfy the Company debts, or (ii) all or any part of the Company assets may be distributed in kind, subject to the provisions of and in the same manner as cash under this Section. In connection with any such winding up and liquidation, the independent certified public accountants then retained by the Company shall prepare a statement setting forth the assets and liabilities of the Company as of the date of dissolution, and such statement shall be furnished to all Members within 90 days of winding up of the date of such liquidation. The proceeds of such liquidation shall be applied and distributed in the following order of priority:

(i) to the payment of debts and liabilities of the Company (other than debts or liabilities owing to a Member) and the expenses of liquidation (including, if applicable, the reasonable fees of the special liquidator);

(ii) to the setting up of any reserves which the Manager (or special liquidator) may deem necessary for any contingent or unforeseen liabilities or obligation of the Company, which reserves may be paid over to an attorney at law as escrow-holder, to be held for the purpose

of disbursing (in the discretion of the Manager or special liquidator) such reserves in payment of any liabilities and, at the expiration of such period (not to exceed 2 years) as the Manager (or special liquidator) may deem advisable, for distribution in the manner hereinafter provided;

(iii) to the repayment of any advances or loans that may have been made by any of the Members to the Company, but if the amount available for such repayment shall be insufficient, then pro rata in accordance with the amounts of such advances or loans;

(iv) to the Members as a priority distribution so that the balance in their Member's Capital Account is reduced to zero; and

(v) the balance, if any, shall be allocated to the Members according to their profit and loss percentage set forth above.

9.5 Distributions in Kind. If the Company assets are not sold, but instead are distributed in kind, such assets, for purposes of determining the amount to be distributed to the parties, shall be revalued on the Company books to reflect their then current fair market value and distributed based upon such value as set forth above in this Section 9 in a similar manner to a cash distribution.

9.6 Allocation Upon Dissolution. The allocation of income, gains, and losses upon final dissolution shall be as set forth in Section 3 hereof.

9.7 Capital Account Deficits – Qualified Income Offset. Notwithstanding the foregoing, if a Member has an Adjusted Capital Account Deficit following the liquidation of its interest in the Company, as determined after taking into account all capital account adjustments for the Company taxable year during which such liquidation occurs, the Company shall specifically allocate items of gross income and gain, in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Interest Holder as quickly as possible. After said qualified Income Offset, the member shall not be obligated to restore the amount of such deficit balance to the company.

9.8 Certificate of Cancellation. Upon the Manager complying with the distribution plan set forth in Section 9 hereof, the Manager shall execute, acknowledge, and cause to be filed a Certificate of Cancellation of the Company.

SECTION 10. POWER OF ATTORNEY

10.1 Manager as Attorney-in-Fact. Each Member hereby makes, constitutes, and appoints each Manager and each successor Manager, with full power of substitution and re-substitution, his or her true and lawful attorney-in-fact for him or her and in his or her name, place, and stead and for his or her use and benefit, to sign, execute, certify, acknowledge, swear to, file, and record (a) this Agreement and all agreements, certificates, instruments, and other documents amending or changing this Agreement as now or hereafter amended that the Manager may deem necessary, desirable, or appropriate, including, without limitation, amendments or changes to reflect (i) the exercise by any Manager of any power granted to him under this Agreement; (ii) any amendments adopted by the Members in accordance with the terms of this Agreement; (iii) the

admission of any Substitute Member; and (iv) the disposition by any Member of his or her interest in the Company; and (b) any certificates, instruments, and documents as may be required by, or may be appropriate under, the laws of the State of New Jersey or any other state or jurisdiction in which the Company is doing or intend to do business; and (c) the right to make any determinations as to the day to day operations of the Company, including the sale, lease or mortgage of Company assets upon such terms as the Managing Manager feel is reasonable and warranted, and (d) the right to continue the LLC upon the death or withdrawal of any member. Each Member authorizes each such attorney-in-fact to take any further action that such attorney-in-fact shall consider necessary or advisable in connection with any of the foregoing, hereby giving each such attorney-in-fact full power and authority to do and perform each and every act or thing whatsoever requisite or advisable to be done and performed in connection with the foregoing as fully as such Member might or could do and perform personally, and hereby ratifying and confirming all that any such attorney-in-fact shall lawfully do and perform or cause to be done and performed by virtue thereof or hereof.

10.2 Nature as Special Power. The power of attorney granted pursuant to this Section 10:

- (a) Is a special power of attorney coupled with an interest, and is irrevocable;
- (b) May be exercised by any such attorney-in-fact by listing the Members executing any agreement, certificate, instrument, or other document with the single signature of any such attorney-in-fact acting as attorney-in-fact for such Members; and
- (c) Shall survive the death, disability, legal incapacity, bankruptcy, insolvency, dissolution, or cessation of existence of a Member and shall survive the delivery of an assignment by a Member of the whole or a portion of his interest in the Company, except that, where the assignment is of such Member's entire interest in the Company and the assignee, with the consent of the Manager, is admitted as a Substituted Member, the power of attorney shall survive the delivery of such assignment of the sole purpose of enabling any such attorney-in-fact to effect such substitution.

SECTION 11. MISCELLANEOUS

11.1 Notices. Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Person or to an officer of the Person to whom the same is directed, or sent by regular, registered, or certified mail, addressed as follows: if to the Company, to the Company at the address set forth in Section 1.4 hereof or to such other address as the Company may from time to time specify by notice to the Members; if to a Manager, or substitute Manager to such Manager at the address set forth in Section 2.1 hereof, or to such other address as such Manager may from time to time specify by notice to the Members. Any such notice shall be deemed to be delivered, given, and received for all purposes as of the date so delivered, if delivered personally or if sent by regular mail, or as of the date on which the same was deposited in a regularly maintained receptacle of the deposit of U.S. mail, if sent by registered or certified mail, postage and charges prepaid.

11.2 Binding Effect. Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the

Members and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

11.3 Construction. Every covenant, term, and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Member.

11.4 Time. Time is of the essence with respect to this Agreement.

11.5 Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

11.6 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

11.7 Incorporation by Reference. Every exhibit, schedule, and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

11.8 Additional Documents. Each Member, upon the request of any Manager, agrees to perform all further acts and execute, acknowledge, and deliver any documents that may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

11.9 Gender and Number. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.

11.10 Governing Law. The laws of the State of Florida shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Members.

11.11 Waiver of Action for Partition. Each of the Members irrevocably waives any right that he or she may have to maintain any action for partition with respect to any of the Company property.

11.12 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

11.13 Loans. Any Member or Affiliate of a Member may, with the written consent of the Manager, lend or advance money to the Company. If a Manager shall make any loan or loans to the Company or advance money on its behalf, the amount of any such loan or advance shall not be treated as a contribution to the capital of the Company but shall be a debt due from the Company.

The amount of any such loan or advance by a lending Member or Affiliate of a Member shall be repayable out of the Company's cash and shall bear interest at a rate not in excess of the greater of (i) the prime rate established, from time to time, by any major bank selected by the Manager for loans to its most credit worthy commercial borrowers, plus 3 percent per annum, or (ii) the maximum rate permitted by law. None of the Members or their Affiliates shall be obligated to make any loan or advance to the Company.

11.14 Sole and Absolute Discretion. Except as otherwise provided in this Agreement, all actions that any Manager may take and all determinations that any Manager may make pursuant to this Agreement may be taken and made at the sole and absolute discretion of such Manager.

IN WITNESS WHEREOF, the parties have entered into this Agreement of Limited Liability Company as of the day first above set forth.

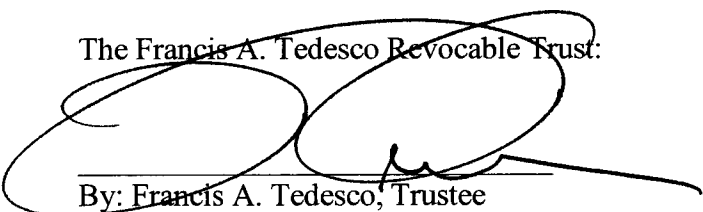
ACADEMY BUS LLC



Francis A. Tedesco, Manager

Class "A" Members:

The Francis A. Tedesco Revocable Trust:



By: Francis A. Tedesco, Trustee

The Mark L. Tedesco Revocable Trust:

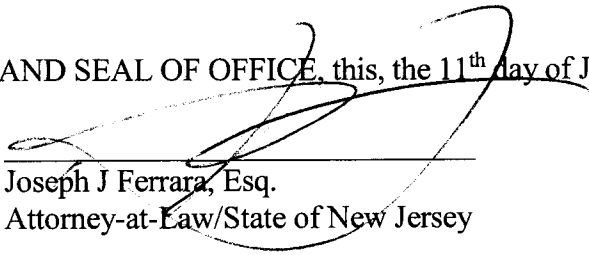


By: Mark L. Tedesco, Trustee

STATE OF NEW JERSEY)
)
COUNTY OF HUDSON) ss.:

BEFORE ME, the undersigned authority, in and for said County and State, on this day personally appeared FRANCIS A. TEDESCO, Manager, and Trustee of The FRANCIS A. TEDESCO REVOCABLE TRUST, Class "A" Member, of Academy Bus LLC, a Florida Limited Liability Company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this, the 11th day of January, 2012.



Joseph J Ferrara, Esq.
Attorney-at-Law/State of New Jersey

STATE OF NEW JERSEY)
)
COUNTY OF HUDSON) ss.:

BEFORE ME, the undersigned authority, in and for said County and State, on this day personally appeared MARK L. TEDESCO Trustee of The MARK L. TEDESCO REVOCABLE TRUST, Class "A" Member, of Academy Bus LLC a Florida Limited Liability Company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

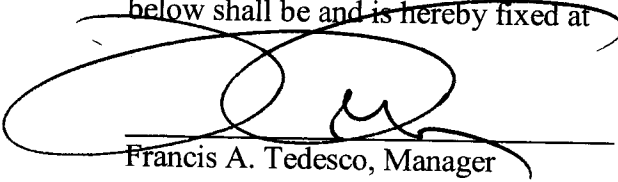
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this, the 19th day of February, 2012.



Joseph J Ferrara, Esq.
Attorney-at-Law/State of New Jersey

CERTIFICATE OF VALUE

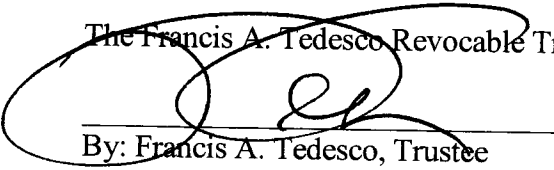
The undersigned Manager/Members, pursuant to the terms of an Agreement of Limited Liability Company of Academy Bus LLC do hereby agree that the value of the Company as of the date below shall be and is hereby fixed at



Francis A. Tedesco, Manager

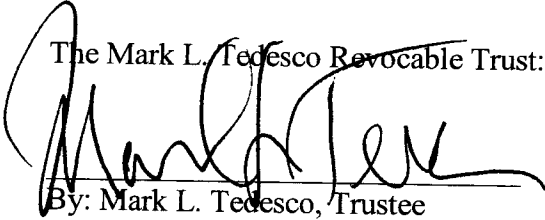
Class "A" Members:

The Francis A. Tedesco Revocable Trust:



By: Francis A. Tedesco, Trustee

The Mark L. Tedesco Revocable Trust:



By: Mark L. Tedesco, Trustee

AMENDMENT TO THE AGREEMENT OF LIMITED LIABILITY COMPANY
OF
ACADEMY BUS LLC

A SOUTH FLORIDA LIMITED LIABILITY COMPANY

This AMENDMENT TO THE AGREEMENT OF LIMITED LIABILITY COMPANY is entered into, and is effective, this 11th day of January, 2014, to evidence the unanimous vote and approval of an instrument of Assignment of Membership Interests of the FRANCIS A. TEDESCO REVOCABLE TRUST ("FT Trust"), and THE MARK L. TEDESCO REVOCABLE TRUST ("MT Trust"), as Members, in ACADEMY BUS LLC, a Florida limited liability company, to THE ACADEMY BUS (FLORIDA) ESB TRUST (the "ESB Trust"), together with the said members approval of this Amendment to the Operating Agreement of Academy Bus LLC ("AB LLC").

AB LLC was originally formed by and among FRANCIS TEDESCO, as Manager, THE FRANCIS A. TEDESCO REVOCABLE TRUST, and THE MARK L. TEDESCO REVOCABLE TRUST. By the instrument of Assignment of Membership Interest dated January 11, 2014, the said Francis A. Tedesco Revocable Trust, Francis Tedesco Trustee, ("FT Trust"), and the Mark L. Tedesco Revocable Trust, Mark Tedesco Trustee ("MT Trust") respectively, assigned to the ESB Trust, One Hundred (100%) Percent of the membership interests in Academy Bus LLC.

To the extent that the terms, covenants and conditions of this Amendment to the Operating Agreement modify, revise, revoke, supplement, and supersede, and amend the terms, covenants and conditions of the Operating Agreement, the terms, covenants and conditions of this Amendment shall control. In all other respects the terms, covenants and conditions of the Operating Agreement shall remain in full force and effect.

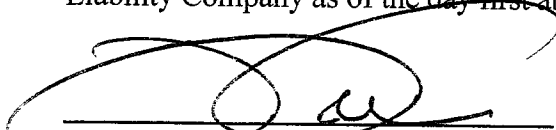
SECTION 2. MEMBERS: CAPITAL CONTRIBUTIONS

2.1 Members.


2.1.1 The name, address, and initial Capital Contribution of each Member is as follows:

<u>Name & Address</u>	<u>Capital Contribution</u>	<u>Percentage Interest</u>
<u>Class "A" Members</u>		
THE ACADEMY BUS (FLORIDA) ESB TRUST 100% C/o Francis A. Tedesco, Trustee 111 Paterson Ave Hoboken, New Jersey	\$ 1,800.00	

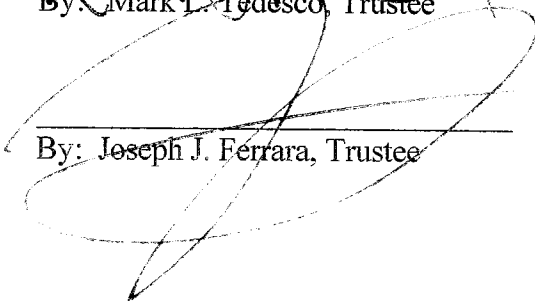
IN WITNESS WHEREOF, the parties have entered into this Agreement of Limited Liability Company as of the day first above set forth.


Francis A. Tedesco, Manager

Class "A" Members:
ACADEMY BUS (FLORIDA) ESB TRUST:


By: Francis A. Tedesco, Trustee


By: Mark L. Tedesco, Trustee


By: Joseph J. Ferrara, Trustee

STATE OF NEW JERSEY)
)
COUNTY OF HUDSON) ss.:

BEFORE ME, the undersigned authority, in and for said County and State, on this day personally appeared FRANCIS A. TEDESCO, MARK L/ TEDESCO and JOSEPH J. FERRARA, Trustees of THE ACADEMY (FLORIDA) ESB TRUST, a Class "A" Member, of Academy Bus LLC, a Limited Liability Company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this, the 11th day of January, 2014.


Notary Public State of New Jersey

GIOVANNA MARTINEZ
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 9/23/2016

STATE OF NEW JERSEY)
)
COUNTY OF HUDSON) ss.:

BEFORE ME, the undersigned authority, in and for said County and State, on this day personally appeared FRANCIS TEDESCO, Manager of Academy Bus LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

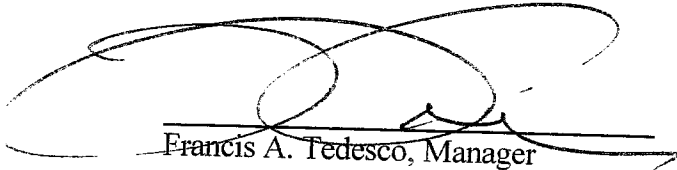
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this, the 11th day of January, 2014.

Giovanna Martinez
Notary Public State of New Jersey

GIOVANNA MARTINEZ
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 9/23/2016

CERTIFICATE OF VALUE

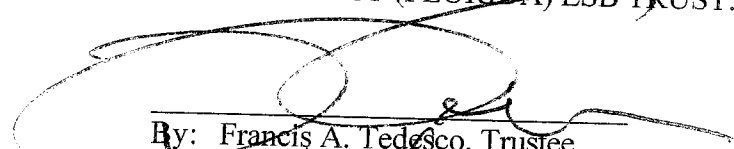
The undersigned Manager/Members, pursuant to the terms of an Agreement of Limited Liability Company of Academy Bus LLC do hereby agree that the value of the Company as of the date below shall be and is hereby fixed at \$800,000.00



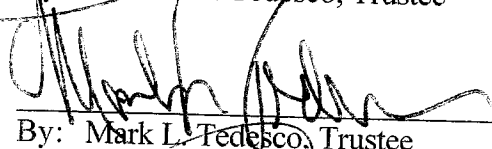
Francis A. Tedesco, Manager

Class "A" Members:

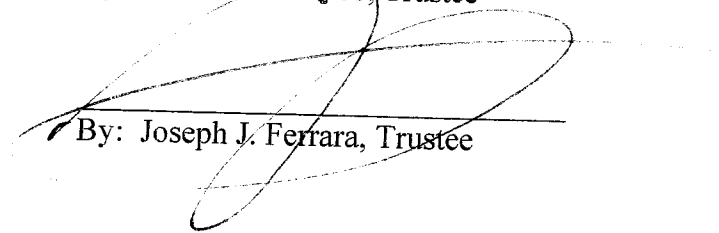
THE ACADEMY (FLORIDA) ESB TRUST:



By: Francis A. Tedesco, Trustee



By: Mark L. Tedesco, Trustee



By: Joseph J. Ferrara, Trustee

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON _____ IS OFFICE

APPLICATION FOR A CERTIFICATE OF AUTHORITY MAR 18 2015
BY A FOREIGN LIMITED LIABILITY COMPANY
TO TRANSACT BUSINESS IN SOUTH CAROLINA

Mark

SECRETARY OF STATE OF SOUTH CAROLINA

TYPE OR PRINT CLEARLY WITH BLACK INK

The following Foreign Limited Liability Company applies for a Certificate of Authority to Transact Business in South Carolina in accordance with Section 33-44-1002 of the 1976 South Carolina Code of Laws, as amended.

1. The name of the foreign limited liability which complies with Section 33-44-1005 of the 1976 South Carolina Code as amended is Academy Bus, LLC

2. The name of the State or Country under whose law the company is organized is Florida

3. The street address of the Limited Liability Company's principal office is

3501 W. Beaver Street

Street Address

Jacksonville

FL

32254

City

State

Zip Code

4. The address of the Limited Liability Company's current designated office in South Carolina is

2 Office Park Court, Suite 103

Street Address

Columbia

South Carolina

29223

City

State

Zip Code

5. The street address of the Limited Liability Company's initial agent for service of process in South Carolina is

2 Office Park Court, Suite 103

Street Address

Columbia

South Carolina

29223

City

State

Zip Code

and the name of the Limited Liability Company's agent for service of process at the address is

National Registered Agents, Inc.

Name

By:

National Registered Agents, Inc.

Signature

H. Jordan Rouse, Asst. Secy
H. Jordan Rouse, Asst. Secy

6. ☐ Check this box if the duration of the company is for a specified term, and if so, the period specified _____

160327-0164
ACADEMY BUS, LLC

FILED: 03/18/2015

Filing Fee: \$110.00 ORIG



7. ☒ Check this box if the company is manager-managed. If so, list the names and business addresses of each manager

a. Francis Tedesco

Name

111 Paterson Avenue

Business Address

Hoboken

NJ

07030

City

State

Zip Code

b.

Name

Business Address

City

State

Zip Code

8. ☐ Check this box if one or more members of the foreign limited liability company are to be liable for the company's debt and obligation under a provision similar to Section 33-44-303(c) of the 1976 South Carolina Code of Laws, as amended.

Date

3-12-15

Signature

Francis Tedesco

Manager

Name

Capacity

FILING INSTRUCTIONS

1. This application must be accompanied by an original certificate of existence not more than 30 days old (or a record of similar import) authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under which it is organized.
2. File two copies of these articles, the original and either a duplicate original or a conformed copy.
3. If management of a limited liability company is vested in managers, a manager shall execute this form. If management of a limited liability company is reserved to the members, a member shall execute this form. Specify whether a member or manager is executing this form.
4. This form must be accompanied by the filing fee of \$110.00 payable to the Secretary of State.

Return to: Secretary of State
1205 Pendleton Street, Suite 525
Columbia, SC 29201

State of Florida

Department of State

I certify from the records of this office that ACADEMY BUS LLC, is a limited liability company organized under the laws of the State of Florida, filed on March 27, 2008.

The document number of this company is L08000031180.

I further certify that said company has paid all fees due this office through December 31, 2015, that its most recent annual report was filed on January 16, 2015, and its status is active.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Ninth day of March, 2015*



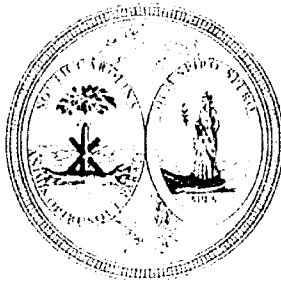
Ken Dietzner
Secretary of State

Authentication ID: CU8029395911

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

The State of South Carolina



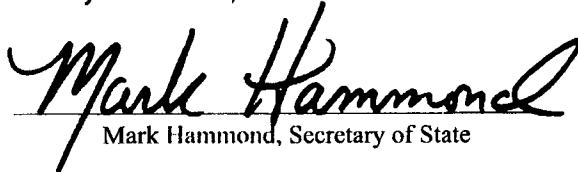
Office of Secretary of State Mark Hammond

Certificate of Authorization

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

ACADEMY BUS, LLC, A Limited Liability Company duly organized under the laws of the State of FLORIDA, and issued a certificate of authority to transact business in South Carolina on March 18th, 2015, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to section 33-44-809 of the South Carolina Code, and that the company has not filed a certificate of cancellation as of the date hereof.

Given under my Hand and the Great
Seal of the State of South Carolina this
27th day of March, 2015.


Mark Hammond, Secretary of State